

Watertown Strong Schools

Advocacy Platform

March 26, 2014



Contact Dr. Candace Miller with questions, suggestions, and for further discussion.

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We Are Working for Watertown Kids

Watertown Strong Schools is for all Watertown kids, whether in-district or out-of-district; special or general education; the high achievers and the middle 70%; the English Language Learners; the musicians and athletes; the artists and robotics kids; the students with behavioral and mental health challenges; the kids who feel lost; the math lovers and math haters; the students in Integrated Support; the students that never fail to do their homework; the tardy kids and the on-time kids; the 3rd or 4th generation Watertown kids; the students who joined our schools last week; the kids from low, middle, and high income families; and even the kids rooting for the Yankees. Our efforts are for all Watertown kids.

Executive Summary

Watertown Strong Schools is a working collaborative of Watertown parents, neighbors, and business owners committed to the integrity and diversity of our schools. **We share** pride in Watertown Public Schools and Watertown's ethnic, cultural, and socio-economic diversity. **We support** Watertown Public Schools (WPS) in their request for the full funding needed to staff the schools and purchase materials to provide a 21st century education to WPS students. **We have come together now**, recognizing that our schools are in a dire situation and immediate attention is required to stop the downward spiral of Watertown Public Schools. **We have a 3-tiered approach** based on: A data driven understanding of Watertown Public Schools (WPS) and the Town of Watertown; Relationship building with decision-makers and stakeholders; and Positive communication and community outreach

Methods and Purpose: We have utilized many methods and data sources in our efforts to understand the true situation in our schools and to deconstruct arguments against adequate funding for WPS. We aim to assist the budget and policy process by building bridges between groups. We have assembled high quality, transparent data that residents, Town officials, and WPS staff can use to better understand Watertown and WPS. We believe that all town leaders and residents must engage in the budget debate for WPS. Collectively, we need a greater awareness and understanding of our school system and town so that we may work together to stop the WPS's downward spiral and navigate towards an upward trajectory over future years.¹ Watertown's challenges are far too complex for the status quo to continue.

WATERTOWN PUBLIC SCHOOLS: THE VISION

We are committed to restoring WPS to the strong schools they once were. We support the WPS Superintendent and Principals in their urgent request for approximately 32-34 FTES and resources for the 2014/2015 school year. These are essential resources which will enable WPS to return to adequate staffing levels and to purchase the materials required to provide a quality education for Watertown's approximately 2,708 students.^{2,3} A fully funded budget with adequate resources is vital to build the five essential components of a quality 21st century education.⁴ These components include:

Safe and caring schools: "Happy, healthy students learn and it takes many hands to help kids get to emotional readiness so they are ready to learn". This is especially true in Watertown, where 48% of students are "high needs" and there has been "a huge increase in the number of children needing risk assessments" and a "jump in the number of students with emotional disabilities."⁵ In the 2011 Watertown Youth Risk Behavior Survey, 25% of WHS students reported feeling sad or hopeless in the last 2 weeks, 16% reported that they had seriously considered suicide, and 12% had attempted suicide.⁶ WPS needs sufficient guidance, mental health, and special education staff to meet the diverse social and emotional needs of Watertown's children. Further, students and staff need to feel secure in their environment to take the risks needed to reach success. According to WMS Vice Principal DelPorto, while WPS aims to build a safe and secure environment for learning, we are still a "world away from where we need to be."^{7,8}

¹ To see Watertown Public Schools Report Card: <http://profiles.doe.mass.edu/>

² The actual number of students can change on any given day as students enter the district. Watertown has an inward migration of approximately 7%. Compared to neighboring towns, Watertown has higher mobility, partly due to the housing structure whereby 50% of housing is owner occupied and 50% rental properties.

³ Watertown Public Schools Curriculum Sub-Committee Vision 2014-2015 online at <https://docs.google.com/presentation/d/1IG3zDzDHYE-T9dd6ySlvBFzJzMQwgPAZpuB-1oU9m0/edit?usp=sharing>

⁴ To learn more about the components of a 21st century education in Massachusetts: http://www.p21.org/index.php?option=com_content&view=article&id=1177

⁵ Arlene Shainker at the Budget and Finance Subcommittee of the School Committee, March 17, 2014

⁶ Watertown Youth Coalition. (2011) Youth Risk Behavior Survey. http://www.watertown.k12.ma.us/wps/pdf_11_12/Well_Being_Watertown_Youth_Report_2011.pdf

⁷ Principal DelPorto at the February 24, 2014 School Committee meeting: <http://wcatv.org/watch/vod/viewvideo/1234/school-committee/school-committee-1614>

⁸ Recent incidents include the following: Watertown High School Ordered to Shelter in Place Dec 2013 http://www.boston.com/yourtown/news/2013/12/watertown_high_school_ordered_to_shelter_in_place.html Bomb Threat Watertown Public Schools Dec 2013 <http://www.wickedlocal.com/x825437630/Police-still-investigating-bomb-threat-at-Watertown-High-School>

Reasonable class sizes and sufficient time on learning: The research, and WPS administrators' opinions, are both clear on class size. All WPS administration emphatically agree that smaller class sizes are essential to student success.⁹ *"Lowering class size is one of the few education reforms that have been proven to work and to narrow the achievement gap, as well as yield economic benefits twice the cost. In addition, smaller classes enhance the development of "non-cognitive" skills not captured by tests, like persistence, motivation and self-esteem, which are also linked to success in school and in life."*^{10,11}

A wide range of curricular opportunities: These opportunities enable students to explore their interests, gain confidence, develop connections to other students and teachers, and add to their enjoyment and satisfaction with school. Moreover, a growing body of research explains how 21st century workers need a range of abilities including collaboration and leadership, critical thinking and problem solving, creativity and innovation, global and environmental awareness, digital literacy, self direction and personal management. These abilities are gained through offerings including music and art, foreign language, technology, engineering, and sports.

Tiered instruction for all learners: High quality Tier 1 instruction (i.e. general education) involves differentiated learning opportunities, adequate time on learning, social emotional learning, regular monitoring, and the use of common assessments to track learning and growth, and diagnose problems. With common assessments and real time feedback, the school system can target Tier 2 instruction (i.e. structured interventions such as reading or math tutors and reading groups) to students who are identified as needing special services. Fully implemented targeted Tier 2 instruction reduces Tier 3 instruction, which is more staff-intensive and may require students to leave general education classrooms. Children in Tier 3 instruction could be in general education classrooms (i.e. full inclusion with assistance), partial inclusion, substantially separate classrooms, and out-of-district placements. Finally, high quality Tier 3 instruction that truly meets the needs of special education students reduces the need for out-of-district placement.

Infrastructure, materials and systems of support: Principals have increasingly complex, yet unfunded state and federal mandates, including implementing: Anti-bully legislation and procedures;¹² Teacher supervision and evaluation system¹; the Department of Education's District Determined Measures¹; Adoption and implementation of the Common Core State Standards¹ (CCSS) and Partnership for Assessment of Readiness of College and Careers

(PARCC) testing. Further, WPS needs 21st century tools, including curriculum and professional development materials; as well as a 21st century data team to better track student progress and achievement and teacher performance. The Materials line item has been arbitrarily cut over the years and is now less than half of what it was five years ago.¹³ Currently teachers purchase materials out of their own pockets or go without basic teaching tools.¹⁴ Teachers need curriculum materials that are aligned with the Common Core as well as basic supplies such as paper. Finally, administrators, general education and special education teachers, instructional assistants, guidance, nurses, and specials teachers need time for teacher collaboration and preparation.

Business Management Office: WPS requires the resources to fully fund the Business Management Office. WPS employs approximately 550 people and is the largest Town employer with five school buildings and one administrative building. This year, WPS is educating 2,708 students as well as being responsible for financing another 152 students in out-of-district placements (72 special needs students and 80 students in vocational programs). Taxpayers, WPS staff, and Town officials are all concerned about efficiencies. Therefore, it is essential that the Business Management Office be of 21st century quality.

⁹ February 24, 2014 School Committee meeting: <http://wcatv.org/watch/vod/viewvideo/1234/school-committee/school-committee-1614>

¹⁰ Literature on the importance of small class sizes: <http://www.classsizematters.org/wp-content/uploads/2013/06/CSR-national-fact-sheet1.pdf>

¹¹ Class size matters factsheet: <http://www.classsizematters.org/wp-content/uploads/2013/06/CSR-national-fact-sheet1.pdf>

¹² To learn more about Anti bullying legislation and procedures that Massachusetts Schools must follow: <http://www.lawlib.state.ma.us/subject/about/bullying.html>

¹³ According to WPS Principals, line items for materials have been cut every year.

¹⁴ According to our Teacher Survey of 120 WPS teachers and staff.

WPS: UNIQUE, COMPLEX, DYNAMIC DEMOGRAPHICS AND IN DIRE TROUBLE

Watertown demographics are changing, the WPS population is complex, and WPS are in trouble. WPS must meet the challenge of educating diverse children with a range of abilities and disabilities. According to Federal and State laws, Watertown has a legal responsibility to educate each child in a manner that enables the student to learn.

As of March 2014, WPS's complex population includes 2,708 in-district students. Since 2005, enrollment has climbed 11%, primarily driven by students entering the elementary schools. Many of the children who migrate into Watertown schools have complex special needs. There is a growth trend in the percentage of students from low income families, with disabilities, in need of IEPs, and requiring out-of-district placements. We can expect these populations to continue upwards:

1. 10% of students use the English Language Learner Program (ELL)
2. 32% of children are from low income families (2013)
3. 21% of students have disabilities, including "a physical or mental impairment which substantially limits one or more major life activities" and be covered under Individuals with Disabilities Education Act (Section 504 of the Americans with Disability Act)¹⁵
4. 21% (595 students) are special education students (state average is 17%) who have learning disabilities requiring Individualized Education Plans (IEPs)
5. Disability trends across 5-years at WPS are startling: WPS has experienced growth in students with developmental delay (42%); emotional problems (43%); health problems (464%), and autism (36%). Across the US, 1:88 children are autistic. Following this, WPS would be expected to have 31 students with autism, however WPS has 68 students with autism.
6. Currently 3% (72 students) have needs that cannot be met in WPS. The number of placements has remained flat; however, the cost of these placements has risen tremendously. Watertown now spends 33.4% of the operating budget on in- and out-of-district special education, which is higher than the state average, neighboring and comparable towns. Special education costs increased by 15.7% from 2011 to 2012.¹⁶

The growth in the number of children requiring special education services, and who bring a need for additional staff to implement IEPs, has severely impaired the ability of WPS to function properly so that we are now on the edge of compliance. Teachers report that they do not have the staff to fully implement IEPs and they cannot keep general education classes reasonably sized. Currently the student-teacher ratio in general education is not keeping pace with enrollment, student needs, and the educational priorities of the school and town. Teachers report that these bulging classes negatively impact learning, social connections, and behavior. Across the district, performance on MCAS standardized tests is worsening while, across Massachusetts, the evidence is clear that the general trend is towards improvement, not decline. WPS are in an untenable situation with regard to class size and time spent on learning. Teachers lack curriculum options, resources for curriculum, and basic materials. On average, teachers spend **\$73 per month** of their own money on classroom supplies. The range is \$10 to \$200 per month. Teachers at the lower end of the range report that parents contribute to their classrooms so they can spend less than some of their colleagues. Teachers report that the problems—due to an insufficient number of staff and no money for materials—is a very serious problem that undermines their ability to teach, and students ability to learn, particularly in the context of a student body with increasingly complex social and emotional needs. As a likely result, Watertown has higher turnover at the level of Superintendent, Principals, and Teachers than the Massachusetts state average and comparable districts.¹⁷

WE CALL UPON THE TOWN OF WATERTOWN, THE TOWN COUNCIL, THE SCHOOL COMMITTEE, AND OUR STATE LEGISLATURES TO IDENTIFY FINANCIAL RESOURCES TO MEET THE WPS NEEDS FOR THE 2014/2015 YEAR.

¹⁵ To learn more about Section 504 IDEA Legislation: <http://www.doe.mass.edu/sped/links/sec504.html>

¹⁶ Department of Education: Massachusetts Department of Elementary and Secondary Education, Special Education Expenditures as a Percentage of Total School Budget, FY12 <http://profiles.doe.mass.edu/>

¹⁷ The Cuniff Elementary School has had three principals in the past 5 years.

Further, we call upon our leaders to commit to identifying additional sustainable funding sources for Watertown Public Schools to avoid further decline in our schools. Indeed, the percentage share of Town funding for WPS has increased as federal and state grants have declined. From 2010 to 2014, the Town of Watertown grew the WPS budget by **3.11%** on average. However, the reduction in Federal Grants, Stimulus, and other grants resulted in a true average increase for WPS of **2.41%**¹⁸, despite enrollment increases and the increasing special education costs.

The percentage of Town revenue allocated to education is below other comparable towns. Realtors confirm that this perception—that Watertown invests less in schools than other towns—exists among new buyers. Per pupil expenditures (PPE) are also an indicator of the priority a town places upon its' schools. However PPE are deceiving as general and special education costs are not separated. In reality spending on general education is in freefall, placing Watertown way below the state average, while special education costs are ballooning. This trend will continue so it is essential that Watertown seriously works to plan effectively to meet the needs of all students.

For Fiscal Year 2015, we call upon the Town Council and Town Manager to examine the budget to identify possible funding from the following sources:

- Anticipated savings from The Massachusetts Group Insurance Commission (approximately \$700k).¹⁹
- The Unreserved Fund Balance is \$9 million. Approximately \$1.5m may be spent per year.
- The Stabilization Fund within the Capital Improvement Projects²⁰ (\$500k)²¹
- The 'Transfer from unfunded Pension Liability fund' could be drawn upon (\$250k).²² The opportunity cost of higher than necessary credit ratings is failed schools. Our schools have lost teachers and staff, essential guidance services, curriculum choices, and adequate time for instruction.
- Release of 'tax assessment overlay' monies for money not claimed in tax assessment appeals.

For Fiscal Year 2016 and beyond: Longer term revenue gains at the Town level

- Development Growth: Town revenue must be increased through new development growth²³ including the redevelopment of former industrial land.
- Reallocation of resources in town budget: The rules regarding paying down the Pension fund and Capital Improvement Projects (CIP) must be revisited.
- Local Option Taxes: The Town Council adopted local option taxes in 2009. These taxes can generate important revenue, although other positive and negative impacts must also be considered.²⁴
- The Residential Operating Override Tax and other Taxes: Watertown residents must at least understand the parameters of a Prop 2.5% override that would enable the town to increase the operating budget given the dire situation in WPS. Research shows that towns that are not bound to remain within the 2.5% tax increase have higher quality schools and better real estate value.^{25,26}

Possible fee or tax increases across Watertown could include: Increases in parking meter rates; parking fines; commercial parking rates; fees for temporary on-street permits (e.g., contractors); library fines; Real Estate Transfer tax (0.1% or 0.2%)²⁷; Recreation Department Fees (depends on program); Additional Library and Cemetery Fund contributions; More aggressive pursuit of Payments in Lieu of Taxes (PILOTs); State and insurance

¹⁸ To view expenditures categories and revenue sources:

<http://profiles.doe.mass.edu/profiles/finance.aspx?orgcode=00000000&orgtypecode=0&>

¹⁹ To learn more about GIC: <http://www.mass.gov/anf/employee-insurance-and-retirement-benefits/oversight-agencies/gic/>

²⁰ Town of Watertown, Capital Improvement Plan February 2014 <http://www.ci.watertown.ma.us/DocumentCenter/View/14390>

²¹ Needs a 2/3 vote by the Town Council to use this money.

²² The Town has plans to pay down the pension fund in 2019, rather than 2022. However, despite the fact that we want to pay less over the life of every loan, we do not think we can afford this prepayment the expense of 2,708 children in WPS.

²³ As suggested by Town Councilor Vincent Piccirilli

²⁴ For example: The Meals tax generates about \$500K this year, the Town Council is seeking additional liquor licenses to attract more restaurants, and a 150 room hotel could bring in \$350K-\$450K in room tax.

²⁵ Bradbury, K. L., Case, K. E. & Mayer, C. J. (1998, July/August). School Quality and Massachusetts Enrollment Shifts in the Context of Tax Limitations. *New England Economic Review*, Federal Reserve Bank of Boston, 3-20.

²⁶ Education increases real estate values, which leads to economic development and more money to invest in public schools. Also the research shows that "demand for real estate has increased in districts not constrained by the Prop 2 ½ tax limits." Bradbury, K. L., Case, K. E. & Mayer, C. J. (1998, July/August). School Quality and Massachusetts Enrollment Shifts in the Context of Tax Limitations. *New England Economic Review*, Federal Reserve Bank of Boston, 3-20.

²⁷ Residents leaving the town are taxed. This tax is deposited into a revolving School Committee or WPS fund and this would not be a part of the fiscal year debates on which departments to fund at different levels.

funding for medical and transportation costs for special needs populations, and an optional line on the bottom of the tax bills that allow residents to contribute to an education funds.

State of Massachusetts: For the 2014/2015 budget year and thereafter, we call upon our State Legislators to help identify additional funding sources and ensure larger contributions for Watertown. We ask legislators to continue to identify sources within the Cherry Sheets (including Chapter 70 and Unreserved Government Grants) and push for the full allocation to Watertown as well as to work diligently for larger contributions from Chapter 70 and Circuit breaker funding, given our unique and complex situation. The Chapter 70 formula is outdated and “broken” and costing Watertown and our students dearly, while the SPED Circuit-Breaker reimbursement formula cannot keep up with the mandates from the 2005 IDEA legislation. We ask legislators to push for local aid packages that are better aligned to the 21st century, including our demographic and economic situation. For Watertown, this means an increasing number of high needs children, and run-away costs for special needs services.

Public / Private Partnerships: For the 2014/2015 budget year and thereafter, we call upon the Town of Watertown to work collaboratively with Watertown Businesses, and WPS to discuss mutually beneficial partnerships to help finance WPS. *“Watertown has over 1,000 businesses that employ approximately 20,000 people.”*²⁸ Investments in WPS will benefit businesses and WPS students.²⁹

Examine and plan for volatile costs within the WPS, particularly with special education service providers: Officials from the school, town and state must work together diligently to manage, and when possible reduce the volatile costs that increase at unsustainable levels and undermine the overall WPS budget and WPS mission. We have a legal and ethical obligation to special needs students. The fiscal realities require us to develop more strategies for managing costs. For example, Watertown must work with the state and federal legislators and service providers to identify additional money for out-of-district placements. As a district, we should develop more partnerships similar to the EDCO or Case Collaborative. We must also continuously negotiate with service providers, including schools, and medical and transportation services.

STRONG SCHOOLS ARE ESSENTIAL TO ECONOMIC DEVELOPMENT

Funding WPS at the appropriate level is the right thing to do for many reasons including that *“Schools are one of the best possible economic investments our community can make.”* Public schools positively impact economic development.³⁰ High quality public schools make towns more economically competitive.^{31,32} Research conclusively demonstrates the importance of strong public schools as a driver of economic development. Watertown needs strong public schools to attract new high quality businesses. Further, investments in education increase real estate values. A study of Massachusetts schools and home prices found that “a \$500 increase in per-pupil expenditures increases average home prices by 2.2%”³³; additional studies documented increases in home values due to investment in schools by as much as 14%.^{34,35,36} The “housing market consistently rewards” high-proficiency test passage rates as well as high expenditures per pupil and low pupil-teacher ratio (or class size). Currently, Watertown is competing for new businesses and new residents with many other towns that have better reputations for their public schools and is losing out on wonderful opportunities.

²⁸ Town of Watertown: <http://www.ci.watertown.ma.us/index.aspx?nid=599>

²⁹ The largest private companies in Town include Tufts Associated Health Plans, Athenahealth, and Bright Horizons.

³⁰ Weiss, Jonathan, D. (2004) Public Schools and Economic Development: What the Research Shows. Knowledge Works Foundation By Jonathan D. Weiss and Dr. Gerald Gordon, CEO, Economic Development Authority, Public Schools and Economic Development [Dr. Gordon](#)

³¹ National Education Association. (2003). *School, Funding, Taxes, and Job Growth* (pre-publication draft).

³² Gottlieb, P. D. & Fogarty, P. D. (1999). *Educational Attainment and Metropolitan Growth*. Cleveland: Center for Regional Economic Issues, Weatherhead School of Management, Case Western Reserve University.

³³ Black, S. (1999) “Do Better Schools Matter? Parental Valuation of Elementary Education” in *The Quarterly Journal of Economics*.

³⁴ Figlio, D. N. & Lucas, M. E. (2000). *What’s in a Grade: School Report Cards and House Prices*. National Bureau of Economic Research Working Paper.

³⁵ Bogart, W. T. & Cromwell, B. A. (1997). How Much More is a Good School District Worth? *National Tax Journal*, L(2), 215-232

³⁶ Black, S. E. (1999, May). Do Better Schools Matter? Parental Valuation of Elementary Education. *The Quarterly Journal of Economics*, 577-99.

A response to arguments against funding WPS adequately

It is time to adequately fund WPS to educate our students to thrive in the 21st century. WPS teachers do not say that they cannot meet the challenges of our dynamic and complex student body. They say, we can't do it right, the way that kids deserve and the state mandates, without adequate resources. Many of the positions that the WPS administration is asking for are key to ensuring that WPS is in compliance with federal requirements and state accreditation standards, reducing class sizes; or improving school safety and adding support for administrators and teachers. Many of these positions will provide tiered instruction that is instrumental in reducing the Special Education costs. The goal is to find the resources that will return Watertown schools to a budget and staffing scenario where our educators can carry out their mandate.

Communication: As a community, we need to overcome the communication problems that exist between the Town Manager, Town Council, School Committee members, and WPS. These strains in communication and individual egos³⁷ impede progress. School quality suffers and budget allocations deteriorate without adequate communication. In fact, some town leaders were unaware that WPS had fallen into a desperate situation. We should ensure that discord and ineffective communication between town officials, or a legacy of problems within the school's financial management system are no longer a factor in the inadequate funding of our schools and students.

"But Watertown only has a set amount of revenue." We have examined the budget in detail, along with the Town Auditor, and know that resources exist for 2015 and there are many possible ways for the town to increase revenue from 2016 forward.

"But the schools receive more money than other departments." In nearly every town in Massachusetts and across the country, the public school system is allocated the largest portion of the town or municipal budget; and this allocation is often over 50% of the town budget. Schools have the most expensive mandates. We acknowledge that the town has consistently increased the school budget each year and WPS receives more money than any other Town department, but Watertown has not paid the real cost of educating our diverse student body in the manner that it is mandated in a context of changing legislation and state requirements. The school system is responsible for a growing population of students with critical special education and social emotional needs. The school system is also bigger than other departments, with a larger staff.

"But the schools are mismanaged or inefficient." The Central Administration, School Committee, Town Council, and Town Manager must ensure the schools operate as efficiently as possible. Town officials are responsible to make sure that happens. The school system, parents, and town, all want efficient schools that meet the needs of every student. We urge the town to conduct an outside audit. We agree that financial management is important and that hiring a full time Business Officer and implementing suggestions from the 2011 MASBO report are a priority. It is not acceptable to deny the WPS desperately needed funding while failing to fix any mismanagement.

"But teacher salaries/contacts are too expensive." We have examined teacher salaries and find salaries in Watertown to be comparable to other districts. If there are bad feelings or a desire to change the salaries, this should be done according to due process, without compromising the quality of WPS and our students' education.

"But WPS cannot be fixed in one year." We agree that some problems require several years of adequate funding, better collaboration within schools and across the district to be fixed; however there is no question that WPS can absorb the FTEs; and materials and support that full funding in 2015 would yield.

³⁷ Nearly every Town Official we spoke with mentioned the serious problem that "egos" were ruining progress.

Introduction

Watertown Strong Schools is a working collaborative of Watertown parents, neighbors, and business owners committed to the integrity and diversity of our schools.

We share pride in Watertown Public Schools and Watertown's ethnic, cultural, gender, and socio-economic diversity.

We support Watertown Public Schools (WPS) in their request for the full funding needed to staff the schools and purchase materials to provide a 21st century education to WPS students.

Our 3-tiered approach:

1. Data driven understanding of Watertown Public Schools and Watertown
2. Relationship building with decision-makers and stakeholders
3. Positive communication and community outreach

We have come together now, recognizing that our schools are in a dire situation and immediate attention is required to stop the downward spiral of Watertown Public Schools (WPS). The tenets of this document are as follows:

1. Watertown Public Schools (WPS) are in critical **need** of adequate staff and materials to educate Watertown's students³⁸ to thrive in the 21st century³⁹, and ensure:
 - a. Safe and caring schools
 - b. Reasonable class sizes and sufficient time spent on learning
 - c. A wide range of curricular opportunities
 - d. Tiered instruction for all learners, and
 - e. Infrastructure, materials and systems of support
2. Watertown demographics are changing, the WPS population is diverse, dynamic, and complex.
3. WPS are in trouble: general education and special education is suffering.
4. The WPS budget and financing has not kept pace with needs.
5. We call upon the Town of Watertown, the Town Council, the School Committee, and our state legislatures to identify financial resources to meet the WPS needs for Fiscal 2015. Further we call upon our leaders to commit to identifying additional sustainable funding sources for Watertown Public Schools to avoid further decline in our schools.
6. Strong schools and strong town support for schools are essential to economic development, real estate values, and the right thing to do for Watertown children and families.
7. Finally, we respond to arguments against adequate funding for Watertown Public Schools.

Purpose of the Document

³⁸ The actual number of students can change on any given day as students enter the district. The in-district number as of October 2013 was 2,708 students. Watertown has an inward migration of approximately 7%. Compared to neighboring towns, Watertown has higher mobility, partly due to the housing structure whereby 50% of housing is owner occupied and 50% rental properties.

³⁹ To learn more about 21st Century Education, which includes English, reading or language arts; mathematics; science; foreign languages; civics; government; economics; arts; history; and geography, critical thinking and problem solving; communication, collaboration; and creativity and innovation. <http://www.p21.org/our-work/p21-framework>

The purpose of this document is share the data and information that we have carefully collected and discussed with town stakeholders. We aim to assist the budget and policy process by assembling high quality data that residents, town officials, WPS staff, and others can use to better understand our town and schools. Our approach is to be transparent and open about all data. We believe that Town and School officials and residents must work together immediately, engage in the budget debate for WPS, and problem solve. Watertown's challenges are far too complex for the status quo to continue. Our children's education and future is at risk. We are committed to restoring WPS to the strong schools they once were.

Methods

We have utilized many methods to understand WPS in 2014, as well as trends over the last decade in both WPS and the town of Watertown. We have also examined our town and district in comparison to neighboring and the so-called "comparable" Massachusetts towns. Below we list the many activities we have undertaken in drafting this document.

1. Extensive data analysis and comparison of data across years and towns: Data sources include
 - a. Massachusetts Department of Education (Department of Elementary and Secondary Education (DESE): <http://www.doe.mass.edu/>
 - b. Massachusetts Department of Revenue: <http://www.mass.gov/portal/>
 - c. District Analysis Report and Assistance Tools (DART): <http://www.doe.mass.edu/apa/dart/>
 - d. Watertown Public Schools: <http://www.watertown.k12.ma.us/>
 - e. Town of Watertown: <http://www.ci.watertown.ma.us/> For tax assessments: <http://watertown.patriotproperties.com> and other Municipal Town websites
 - f. Real Estate data from Hammond realty, The Warren Group, The Watertown Tax Assessment database, and the Massachusetts Department of Revenue
2. Extensive document review including
 - a. Town of Watertown Town Budgets and expenditure reports
 - b. Town of Watertown MA "Independent Auditors' Reports to Governmental Auditing Standards and The Single Audit Act Amendments of 1996", for the year ended June 30, 2009
 - c. Watertown Public Schools Financial Operations Review; Massachusetts Association of School Business Officials, January 2011.
 - d. Town of Watertown "Financial Management Review: Division of local services/technical assistance section"; MA Dept of Revenue; August 2013
 - e. Watertown Organization Chart (from report listed E2c)
 - f. School Budgets 2013
 - g. Massachusetts Department of Elementary and Secondary Education FY13 End of Year Financial Report.
 - h. Town Manager Education Appropriation Presentation (2013) Watertown Revenue Trend FY14 HYPERLINK
[https://docs.google.com/a/watertown.k12.ma.us/viewer?a=v&pid=sites&srcid=d2F0ZXJ0b3duLmsxMi5tYS51c3x3cHN8Z3g6NzgZjNjZGYyNzQzYw\" \"_blank\"](https://docs.google.com/a/watertown.k12.ma.us/viewer?a=v&pid=sites&srcid=d2F0ZXJ0b3duLmsxMi5tYS51c3x3cHN8Z3g6NzgZjNjZGYyNzQzYw\)
 - i. School Committee Presentation in Preparation for Fiscal Year 2015 Watertown Public Schools Budget Request Presentation Fiscal Year 2014
<https://docs.google.com/a/watertown.k12.ma.us/viewer?a=v&pid=sites&srcid=d2F0ZXJ0b3duLmsxMi5tYS51c3x3cHN8Z3g6NWJmYT5ZjlxNmNkNTA5Mw>
 - j. Curriculum Sub Committee Presentation Vision 2014-2015 on the website. Feb, 24, 2014
<https://sites.google.com/a/watertown.k12.ma.us/wps/sc/archived>
3. Municipal meeting attendance:

- a. Town Council, Town Council Sub-Committee, School Committee, School Committee Sub-Committee, Superintendent's coffee and presentations, Site Council meetings, and Central Administration meetings.
4. Parent and town leader discussion sessions with Town Councilors, School Committee members, and parents
5. Conducted interviews with WPS administration, including from Central Administration and school principals
6. Conducted interviews with School Committee and Town Council members, and the Town Auditor and have had ongoing discussions in person and online with TC and SC members
7. Conducted interviews with the Watertown Teacher's Union
8. Administered a Teacher Survey to 300+ WPS educators including Teachers, Instructional Assistants, Special Education Teachers, Nurses, Guidance Staff, Psychologists, Specials Teachers
9. Observed WPS, School committee and Town Council meetings as parents and residents, Watertown Alumni.
10. Extensive discussions with parents
11. Online survey with parent volunteers

We will continue to update the document as new information becomes available, as well as if there are corrections or additions.

Watertown Public Schools (WPS) are in critical need of adequate staff and materials to educate 2,708 students¹ to thrive in the 21st century.

We recognize that WPS students are diverse in their abilities and disabilities, culture, language, race, ethnicity, socioeconomic status, developmental stage, learning style, and talents. We support the WPS Superintendent, Administration, and Principals in their urgent request for the resources to return WPS to adequate staffing levels and to purchase the materials required to offer a quality education to Watertown's children and youth.^{40,41} (Table 1) Our schools need a fully funded budget to build the five essential components of a quality 21st century education.⁴² These components, which were approved by the School Committee at the March 3, 2014 meeting, include:

Safe and caring schools, where student wellness, social and emotional learning, and upkeep of facilities are prioritized: This includes:

- WPS needs **Adequate Student Support Services** with sufficient guidance, mental health, and special education staff. According to Arlene Shainker, Interim Director of Student Services, since 2011, there has been a huge increase in the number of children needing risk assessments" and a "jump in the number of students with emotional disabilities."⁴³ This growth in mental health issues appears to be in addition to already documented mental health problems from the 2011 Youth Risk Behavior Survey, where 25% of WHS students reported feeling sad or hopeless in the last 2 weeks, 16% reported that they had seriously considered suicide, and 12% had attempted suicide.⁴⁴ The WHS needs a guidance counselor, a push counselor, and an adjustment counselor. The Lowell and Cunniff Elementary schools need guidance counselors, behavior specialists, and behavior support. The WMS needs a social worker. Currently, the WMS offers the Integrated Services Program (ISP)⁴⁵ which is open to regular and special education students who have emotional disabilities or behavioral challenges. Some students receive frequent or daily check-ins with the school social worker. In addition, the ISP is a self-contained program for students who have extreme difficulty participating in mainstream classes. This is a great program that WMS has fought to hold onto but other schools do not have the staff needed to adequately staff an ISP. For example at the Lowell, the ratio of one guidance counselor to 415 students does not allow students to seek respite or support.
- **Attention to safety and security and safe buildings:** A safe environment is a prerequisite for learning and both students and staff must feel secure to take the risks needed to reach success.⁴⁶ School safety is "fundamental to studies of the achievement gap, teacher attrition,

⁴⁰ It is not clear what the full budget will cost yet, although estimates suggest between \$3.6 and \$6 million over Fiscal Year 2014 for materials and other items (plus increases in salaries and costs of special education)

⁴¹ Watertown Public Schools Curriculum Sub-Committee Vision 2014-2015 online at <https://docs.google.com/presentation/d/1IG3zDzDHvE-T9dd6ySlvBFe-JzMqwgPAzpuB-loU9m0/edit?usp=sharing>

⁴² To learn more about the components of a 21st century education in Massachusetts:
http://www.p21.org/index.php?option=com_content&view=article&id=1177

⁴³ Arlene Shainker, March 17, 2014, Budget and Finance Sub Committee of the School Committee.

⁴⁴ Watertown Youth Coalition. (2011) Youth Risk Behavior Survey.

http://www.watertown.k12.ma.us/wps/pdf_11_12/Well_Being_Watertown_Youth_Report_2011.pdf

⁴⁵ Integrated Support Services: <http://teacherweb.com/MA/WatertownMiddle/MsJuusola/t.aspx>

⁴⁶ Maslow, A. (1970); Motivation and Personality 3rd Longman. New York. Edition.

and student engagement.”⁴⁷ According to WMS Vice Principal DelPorto, while WPS aims to build a safe and secure environment for learning, we are still a “world away from where we need to be.”^{48,49} For example, WHS has had numerous threats over the past months that have forced students out of the building, resulting in the loss of critical time on learning and ebbing away at students’ sense of safety.⁵⁰ WPS needs cameras, fobs (i.e. keypads for a security system, automatically locking doors and security cameras to ensure school safety), IDs, and door and window locks.

- **WPS needs more Health and Wellness opportunities** for physical education, extended day programs, and additional ways for students to feel connected to WPS. The motto across WPS is that “Happy, healthy students learn.” To learn, students need to feel safe and take risks. However, “it takes many hands to help kids get to emotional readiness so they are ready to learn, especially in Watertown, where 48% are ‘high needs’⁵¹ students”.

RReasonable class sizes^{52,53} and Time on learning:

The research, and WPS teachers and administrators’, are all clear on class size:

“Lowering class size is one of the few education reforms that have been proven to work and to narrow the achievement gap, as well as yield economic benefits twice the cost of the investment. Investing in smaller classes should be a top priority for all schools. In addition, smaller classes enhance the development of “non-cognitive” skills not captured by tests, like persistence, motivation and self-esteem, which are also linked to success in school and in life.”⁵⁴

All WPS administration adamantly agrees that smaller class sizes are essential to student success.⁵⁵ WPS needs approximately 16 teachers in addition to the current teaching staff in order to lower class sizes in 2015. Lower class sizes also allow for differentiated learning for all students from low achieving to very high achieving students, and students with different learning styles. Many parents with “average students” are often frustrated that their children do not get adequate attention in large classes where there are limited teaching tools and without differentiated learning.

“Solid research does validate ... differentiation. These practices include using effective classroom management procedures; promoting student engagement and motivation; assessing student readiness; responding to learning styles; grouping students for instruction; and teaching to the student’s zone of proximal development i.e. the distance between what a learner can demonstrate without assistance and what the learner can do with assistance.”⁵⁶

⁴⁷ Cornell & Mayer. (2010) Why Do School Order and Safety Matter? EDUCATIONAL RESEARCHER January 2010 vol. 39 no. 1 7-15.

⁴⁸ Principal DelPorto at the February 24, 2014 School Committee meeting: <http://wcatv.org/watch/vod/viewvideo/1234/school-committee/school-committee-1614>

⁴⁹ Recent incidents include the following: Watertown High School Ordered to Shelter in Place Dec 2013 http://www.boston.com/yourtown/news/2013/12/watertown_high_school_ordered_to_shelter_in_place.html Bomb Threat Watertown Public Schools Dec 2013 <http://www.wickedlocal.com/x825437630/Police-still-investigating-bomb-threat-at-Watertown-High-School>

⁵⁰ Police, parents react after latest WHS threat, March 21, 2014 <http://watertown.wickedlocal.com/article/20140321/NEWS/140329004>

⁵¹ “High needs” includes students with disabilities, English Language Learners or former ELL students, and students from low income families. <http://profiles.doe.mass.edu/help/data.aspx#classsize>.

⁵² Literature on the importance of small class sizes: <http://www.classsizematters.org/wp-content/uploads/2013/06/CSR-national-fact-sheet1.pdf>

⁵³ Class size matters factsheet: <http://www.classsizematters.org/wp-content/uploads/2013/06/CSR-national-fact-sheet1.pdf>

⁵⁴ Literature on the importance of small class sizes: <http://www.classsizematters.org/wp-content/uploads/2013/06/CSR-national-fact-sheet1.pdf>

⁵⁵ February 24, 2014 School Committee meeting: <http://wcatv.org/watch/vod/viewvideo/1234/school-committee/school-committee-1614>

⁵⁶ For references and literature on differentiated learning: <http://www.ascd.org/publications/educational-leadership/feb10/vol67/num05/Differentiated-Learning.aspx>

WPS would like to blend whole-class, group, and individual instruction to be more effective and efficient, using different strategies based on student needs.

“When using groups, rotate students based on demonstrated knowledge, interest, and/or learning style preferences with the aim of moving all students to a higher level of achievement. Use the groups to set up learning activities that: teach new concepts, apply concepts previously learned, and also revisit skills not mastered.”⁵⁷

Wide range of curricular opportunities: WPS needs resources to offer quality instruction, and a range of opportunities, including project-based learning. The WPS curriculum should be rich with courses in English language arts, sciences, technology, engineering, math, foreign languages, library media, art, music and drama,⁵⁸ quality after-school programs. In addition to the fact that a wide range of course offerings enable students to interact and explore their interests and strengths outside of a traditional classroom, adding to their enjoyment and satisfaction with school, there is a growing body of research showing how 21st century workers need a range of skills including ability to collaborate and leadership, critical thinking and problem solving, creativity and innovation, social responsibility, and cultural, global and environmental awareness, digital literacy, and lifelong learning, self direction and personal management. These abilities are gained through specials courses and offerings including technology, engineering, and foreign language.

We have tremendous diversity in our students. Learning involves identifying strengths and weaknesses, gaining confidence in order to take risks, and building upon weaknesses. Strong music, theatre and art programs enable students to find hidden strengths, figure out who they are, build confidence, and ultimately perform better in the classroom. After-school programs including newspaper, robotics, cooking, coding, and other offerings provide the opportunity for students to learn a range of skills, work collaboratively, and connect to WPS and our community.

As a benefit, when students have more specials offerings, it allows classroom teachers more time for preparation, collaboration, and time to provide targeted interventions to students in need.

Finally, *how* courses are taught is as important as what is offered. WPS needs additional staff time and materials to offer project based learning opportunities, which motivates and awakens students love of learning. Project-based learning allows students to work collaboratively while learning skills and content aligned with common core standards. Rather than a focus on worksheets and quizzes, project-based approaches help course content come alive. *“Project-based learning is a dynamic approach to teaching in which students explore real-world problems and challenges.”⁵⁹* The approach allows a depth of learning that cannot be accessed through textbooks, worksheets, and tests, but it takes more time, energy, and resources.

Tiered instruction for all learners: The WPS Superintendent’s vision is to offer:

1. Quality Tier 1 instruction is the general education curriculum with reasonable class sizes, adequate time on learning, a wide variety of course offerings, differentiated learning approaches, project based learning, regular monitoring, the use of common assessments to track learning, growth, and

⁵⁷ For references and literature on differentiated learning for math: <http://www.nctm.org/resources/content.aspx?id=22624>

⁵⁸ See Watertown Friends of Music to understand budget cuts that reduced WPS music program <http://watertownmusic.org/about/budget-cuts-and-music-instruction/>

⁵⁹ To learn more about project-based learning, go to: http://www.p21.org/index.php?option=com_content&view=article&id=1177, <http://www.edutopia.org/project-based-learning> and <http://resources21.org/cl/>

diagnose problems, and social emotional learning opportunities. High quality Tier 1 instruction reduces the need for Tier 2 instruction. (Figure 1)

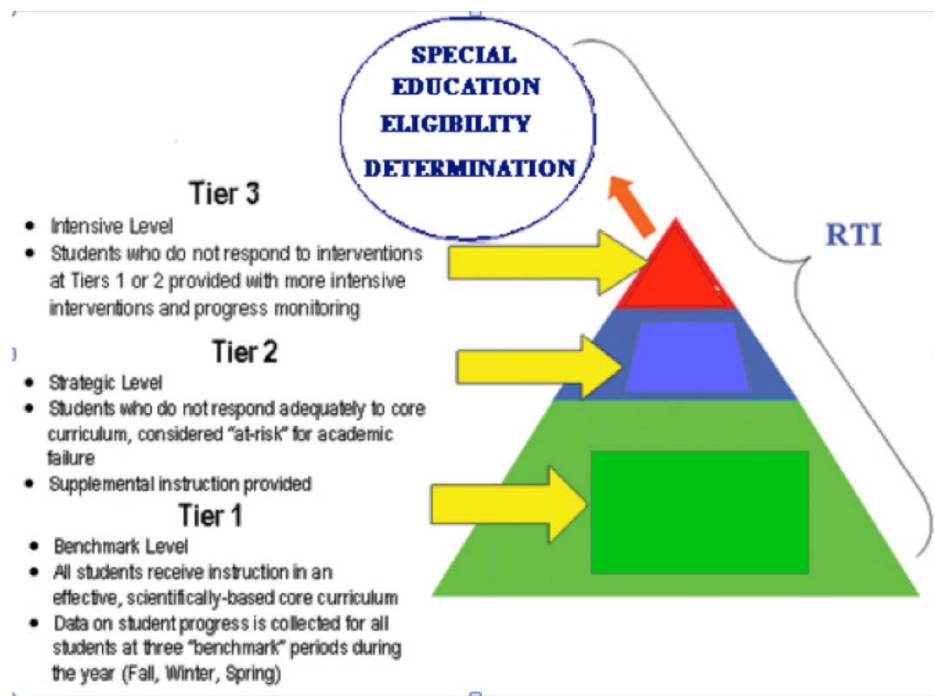
2. Targeted, quality Tier 2 instruction includes the use of rich interventions for students identified as at risk. Interventions include the use of reading specialists, reading groups, opportunity rooms at the elementary level, specialized reading and extended math at WMS, and homework club and tutoring at WHS. Tier 2 instruction enables students to stay in the classroom and is the least restrictive learning environment possible. Often short, targeted interventions provide the support needed for a student to return to Tier 1 instruction. Further, Tier 2 instruction is less disruptive for students and costs less than Tier 3.

3. Quality Tier 3 instruction occurs at different levels and may involve full inclusion in general education classrooms with an aid, partial inclusion, substantially separate in-district services, or out-of-district placement.⁶⁰ When Tier 3 instruction is provided successfully in-district, students receive intensive instruction with opportunities for inclusion (i.e. special education students in general education classrooms). At WPS, the trend is towards substantially separate instruction. All Tier 3 students are on Individualized Education Programs (IEPS). The class size for Tier 3 students often ranges from 6-12 students, although some may be smaller, and may involve one-on-one instruction.

When Tier 3 instruction is implemented effectively, students

can remain in the least restrictive learning environment possible, such as full or partial inclusion, and in WPS, where the students and their families can be a part of the Watertown school community. Further, high quality in-district Tier 3 instruction is much less costly than out-of-district placement which can be legally mandated if in-district services are of insufficient quality.

Figure 1. Tiers of Instruction



Teachers and the administration agree that Tier 2 targeted instruction is limited due to insufficient staffing. While WMS has made a concerted effort to retain Tier 2 interventions, particularly across the elementary schools and high school, WPS has not been able to retain high quality Tier 2 interventions.

Resources are needed to implement Tier 2 instruction, collect data, follow up, and add the social emotional component to the classroom, with collaboration across teachers and staff. Further, frequent monitoring is essential to understanding student progress and to identify when interventions are needed and whether they are work. With adequate staffing and expertise, as well as space, WPS could retain students, reducing out-of-district costs and the loss of students from our community.

⁶⁰ Massachusetts Department of Education inclusion descriptions. <http://www.doe.mass.edu/lawsregs/603cmr28.html?section=all>

Infrastructure, Materials, and Systems of support

WPS needs 21st century tools, including curriculum materials. The schools need basic supplies such as paper, pencils, copy toner, glue sticks, text books, work books, and lab materials, as well as lab equipment, computers, and, looking forward, eventually technology enabled classrooms.

Principals need administrative support, staff time to lead their schools, and professional development materials. Principals have increasingly complex, yet unfunded state and federal mandates. This is a common theme—that the State mandates changes that the public schools must implement—however there are no accompanying resources to facilitate the implementation of the requirement. Principals are required to:

- Implement anti-bully legislation and procedures, which requires an investigation of all bullying reports, including bullying that occurs off of school property, such as through social media.⁶¹ According to WMS Principal Carter “It is the right thing to do, but it takes time.”
- Implement the new teacher supervision and evaluation system.⁶² Principals agree that the new evaluation system is a good process, however it is time consuming given the Principal-to-Teacher ratio (e.g. The Lowell School has 56 teachers, no Vice Principal or Truant Officer, one guidance counselor, and 410 students).
- Supervise teachers and implement a system of job imbedded coaching, utilizing technology in the classroom, and teacher-to-teacher mentoring
- Implement the Department of Education’s (DOE) District Determined Measures⁶³ (DDM) to measure student growth and as one component in the teacher evaluation process.
- Adoption and implementation of the Common Core State Standards⁶⁴ (CCSS)
- Adoption and utilization of the new standardized Partnership for Assessment of Readiness for College and Careers (PARCC) Test⁶⁵ to accompany the Common Core State Standards, including building capacity for students to take online tests
- Implement new health and safety protocols,⁶⁶ including protocols for an emergency preparedness and crisis response; Also includes protocols on truancy,⁶⁷ behavioral responses, tiered systems of support, health and wellness, and nut allergies. Without a truancy officer, the schools have a difficult time managing truancy, even though the truant patterns that start in kindergarten later result in poor achievement and an increased risk of dropping out.⁶⁸

Professional development is required for adopting the new curricula (CCSS), using technology in the classroom, and integrating social and emotional learning into the classroom. Principals must provide leadership to implement the CCSS. In order to provide professional development to teachers, principals themselves need training to fully understand the curricula and assessment requirements and resources needed to fully implement the Common Core. It is essential that together, principals and teachers are well trained to competently implement the CCSS. Otherwise there will be an inconsistent curriculum

⁶¹ To learn more about Anti bullying legislation and procedures that Massachusetts Schools must follow:

<http://www.lawlib.state.ma.us/subject/about/bullying.html>

⁶² Learn more about the MA DOE new teacher supervision and evaluation system: <http://www.doe.mass.edu/edeval/>

⁶³ Learn more about District Determined Measures <http://www.doe.mass.edu/edeval/ddm/>

⁶⁴ Learn more about the Common Core at <http://www.doe.mass.edu/candi/commoncore/> and

http://www.achieve.org/files/RevisedElementaryActionBrief_Final_Feb.pdf

⁶⁵ Learn more about the new online standardized test that is aligned with the Common Core: <http://www.parcconline.org/>

⁶⁶ Learn more about the protocols for safe and healthy learning environments: <http://www.doe.mass.edu/ssce/safety.html?section=workplace>

⁶⁷ Massachusetts DOE Truancy Policy <http://www.doe.mass.edu/infoservices/data/sims/attendance.pdf>

⁶⁸ Making the Connection: Report of the Graduation and Dropout Prevention and Recovery Commission. (2009). Massachusetts Department of Education <http://www.mass.gov/edu/dropout-report.html>.

that may not meet the CCSS standard. This would short-change our students who want to do well in school and on standardized tests, as well as go to college. Watertown's reputation is hurt when WPS students perform poorly on MCAS or PARCC tests. Poor performance at the district level affects real estate values and economic development as home buyers and businesses gravitate towards districts where the schools meet the needs of their students and students are successful.

"Principals and teachers must have access to the essential professional development opportunities they need to fully implement the Common Core, to transition to rigorous standards that strengthen teaching and learning, and to develop effective strategies that engage families and communities in schools." The Executive Director of the National Association of Elementary School Principals (NAESP)⁶⁹

WPS teachers should be uniformly trained on best practices for incorporating technology into the classroom. Many, but not all, WPS classrooms have iPads or Chrome books generously donated by PTOs, the Watertown Education Foundation, and other grants. However, without professional development opportunities on integrating technology into the classroom and determining what works, WPS relies upon ad-hoc technology training on a voluntary basis outside of work hours. This is a missed opportunity to integrate state-of-the-art teaching methods into our Watertown classrooms.

WPS needs a 21st century data team to better track student progress and achievement and teacher performance. WPS uses Common Assessments to periodically assess student learning, such as Measures of Progress (MAP) testing, for math and writing and Fountas Pinnell benchmarks to assess reading and literacy.^{70,71} However, there have been changes in the curriculum to align with the Common Core that make it difficult to use MAP testing because the MAP test and CCSS are not aligned.⁷² We need alignment between our curriculum and progress tests. Then, ideally, WPS would use the assessment data diagnostically in K-12 to identify learning problems early on and, in real time, initiate the appropriate interventions for students to succeed. In addition, WPS needs a data dashboard for student data. Teachers should import student scores and utilize a user-friendly interface that provides benchmarking data, allowing teachers to monitor student achievement, accelerate progress, and initiate real-time Tier 2 and Tier 3 instruction when required. There are challenges however: For example, the school does not currently have the data team or technology to use data in real time. While each school has a data team, the schools do not have a Full Time Equivalent (FTE) devoted to data analysis. As a result, the data team analyzes data in their spare time, beyond the regular school day, which creates a lag between when assessments are administered and when data is available. Rather than a several month lag, WPS should have the ability to utilize the data to inform teaching and student learning within the week. Ideally, a user-friendly data dashboard that outputs critical student achievement data, and flags students and scores where intervention is needed, could also be used to aggregate findings by classroom, teacher and grade to also track teacher performance. Currently the system neither provides real time monitoring or evaluative information.

Further, at the district and school level, WPS need a high quality financial system that enables administrators to better capture and track the costs of creating, implementing, and monitoring IEPs and providing all special education services at the Tier 2 and Tier 3 levels (partial and full inclusion and separate). These costs may vary by school. Across the district, budget cuts have led to a situation where some instruction and assistance is done in a "cost neutral" way. As a result, the WPS are not collecting the information needed to monitor costs, identify efficiencies, and negotiate for better prices. Without understanding the costs of special education, at the level of line items, and the implications of these

⁶⁹ To learn more <http://www.naesp.org/>

⁷⁰ To learn more about MAP Testing: <http://www.nwea.org/node/98>

⁷¹ To learn more about Fountas Pinnell benchmarking: https://www.heinemann.com/fountasandpinnell/BAS2_overview.aspx

⁷² Learn more about aligning MAP and CCSS: <http://www.nwea.org/node/13879>

costs on the WPS budget, we cannot advocate for additional state, federal and other supports or effectively measure what works in special education or how general education spending is being affected.

Finally, administrators, general education and special education teachers, instructional assistants, guidance, nurses, and specials teachers need time for teacher collaboration and preparation. The vast responsibilities and insufficient staff means that, at one WPS, for example, there is only 48 minutes of guaranteed time during the day for planning, which is inadequate given the responsibilities teachers have.

B_{usiness Office}

We fully support the WPS in their request for adequate staffing and materials. Additionally, we also recognize the essential need for a solid Business Management Team in place in the WPS system. WPS employs approximately 550 people so is the largest Town employer, has five schools buildings and one administrative building, and this year is educating 2,708 students in district. Recognizing that tax payers, town officials, teachers and staff are all concerned about efficiencies, it is essential that our Business Management Office operates at industry standard levels. Further, we have heard several town officials and residents argue that schools should not receive any more funds because the schools are inefficient or do not adequately show how money is used. We believe that if the school system is inefficient, we must fix it so that WPS's educational mandate can be fulfilled. Failing to fund schools because of discord between departments, a legacy of problems in the financial management system, and ineffective communication between town officials harms Watertown's students. WPS are caught in a defeating feedback cycle whereby inefficiency increases when the essential staff who could improve efficiency are cut due to budget constraints and years of poor inter-office communication.

The "The Financial Operations Review" was conducted by the Massachusetts Association of School Business Officials in January 2011. According to the report, a number of serious issues were identified:

1. *"A common concern among the Central Office staff interviewed is the under staffing of positions that require financial detail and oversight. From FY05 the Business Office had 5 FTE...In FY 10 there 3.5 FTE doing the same work with additional responsibilities added by Federal, State and local mandates, critical financial reporting and day to day business functions."*
2. The School Committee wants to receive [but has not yet received] a financial report set up by Cost Center or Function Codes. There is also an interest in reviewing expenditures over a five year period to examine spending trends.
3. External audits are not conducted by an outside auditor on an annual basis, despite Town Council interest. Further, there is no provision for internal audits by the school department.
4. The Business Office does not have a Business Office Procedures Manual
5. "There does not appear to be an effective method available for town and school budget communication" and "There have not been regular meetings between the Director of Business Services at WPS and the Town Auditor/Comptroller."
6. Payroll staff has been reduced by one FTE and must be replaced.

There appear to be improvements, including a newly developed budget that is "industry standard", new relationships being forged between the Central Administration and the Town, and a part time consultant is working closely with WPS. Nevertheless, according to the School Committee, Town Council members, and Town officials, many of the issues identified in the MASBO report have not yet been rectified.

We believe that WPS should meet the *Massachusetts Department of Elementary and Secondary Education* District Standards and Indicators for Financial and Asset Management, which includes ⁷³

“ Financial Tracking, Forecasting, Controls, and Audits: District administrators are able to regularly and accurately track spending and other financial transactions. The district uses forecast mechanisms and control procedures to ensure that spending is within budget limits. It uses efficient accounting technology to facilitate tracking, forecasting, and control procedures, and to integrate the district-level financial information of each school and program. All procurement, tracking, and monitoring systems and external audits are accurate, current, and timely. The district has a system in place to ensure that state procurement laws are followed, that staff are qualified to manage their fiscal responsibilities, and that all assets and expenditures are monitored and tracked to attain the most efficient and effective utilization. The district competitively procures independent financial auditing services at least every five years, shares the results of these audits, and consistently implements their recommendations.

Comprehensive and Transparent Budget Process: The district’s budget is developed through an open, participatory process, and the resulting document is clear, comprehensive, complete, current, and understandable. The budget provides accurate information on all fund sources, as well as budgetary history and trends. The district and community have appropriate written agreements and memoranda related to 603 CMR 10.0 that detail the manner for calculating and the amounts to be used in calculating indirect charges levied on the school district budget by the community. Regular, timely, accurate, and complete financial reports are made to the school committee, appropriate administrators and staff, and the public. Required local, state, and federal financial reports and statements are accurate and filed on time.

Adequate Budget: The community annually provides sufficient financial resources to ensure educationally sound programs and quality facilities, with a sufficient district revenue levy and level of local spending for education. The combination of Chapter 70 Aid and local revenues, considering justified indirect charges, meets or exceeds Net School Spending (NSS) requirements of the education reform formula. The district's budget and supplemental funding are adequate to provide for effective instructional practices and adequate operational resources. ”

In line with the DESE District Standards and Indicators for Financial and Asset Management, we call upon the Town of Watertown, the Town Council, the School Committee and WPS to commit to “engages in a participative, well-documented, and transparent budget process that uses student achievement as a factor in the overall budget. The district acquires and uses financial, physical, and competitive capital resources to provide for and sustain the advancement of achievement for all students enrolled in the district. The district regularly assesses the effectiveness and efficiency of its financial and capital assets and has the ability to meet reasonable changes and unanticipated events.”

⁷³ District Standards and Indicators: <http://www.doe.mass.edu/apa/review/district/StandardsIndicators.pdf>

Table 1. TOTAL WPS FTE REQUEST for 2015: 33.70 FTEs Source: Final 2014 Curriculum and Budget Presentation 2/24/14

High School		Middle School		District	
Position Requested	Number of FTEs	Position Requested	Number of FTEs	Position Requested	Number of FTEs
PA/APE Teacher	0.5	Sixth Grade Teachers	2.0	School Resource Officer (Elem/Middle)	1.0
Arabic Teacher	0.6	Arabic Teacher	0.8	Nurse Leader	1.0
Italian Teacher	0.4	Library Media Specialist	0.5	Foreign Language Coordinator	0.4
Social Studies Teacher	0.6	Special Education Teacher	0.5	Attendance Officer	0.5
English Teacher	0.4	Social Worker	0.4	Instructional Data Specialist	1.0
Pre-Engineering Teacher	0.2	Speech Pathologist	0.4		
Video Production Teacher	0.4	PE/APE Teacher	0.4		
Computer Science Teacher	0.2				
Reading Teacher	0.5				
Writing Lab Paraprofessional	1.0				
Adjustment Counselor	0.4				
Guidance Counselor	1.0				
Push Counselor	0.5				
<u>Subtotal</u>	6.7	<u>Subtotal</u>	5.0	<u>Subtotal</u>	3.9

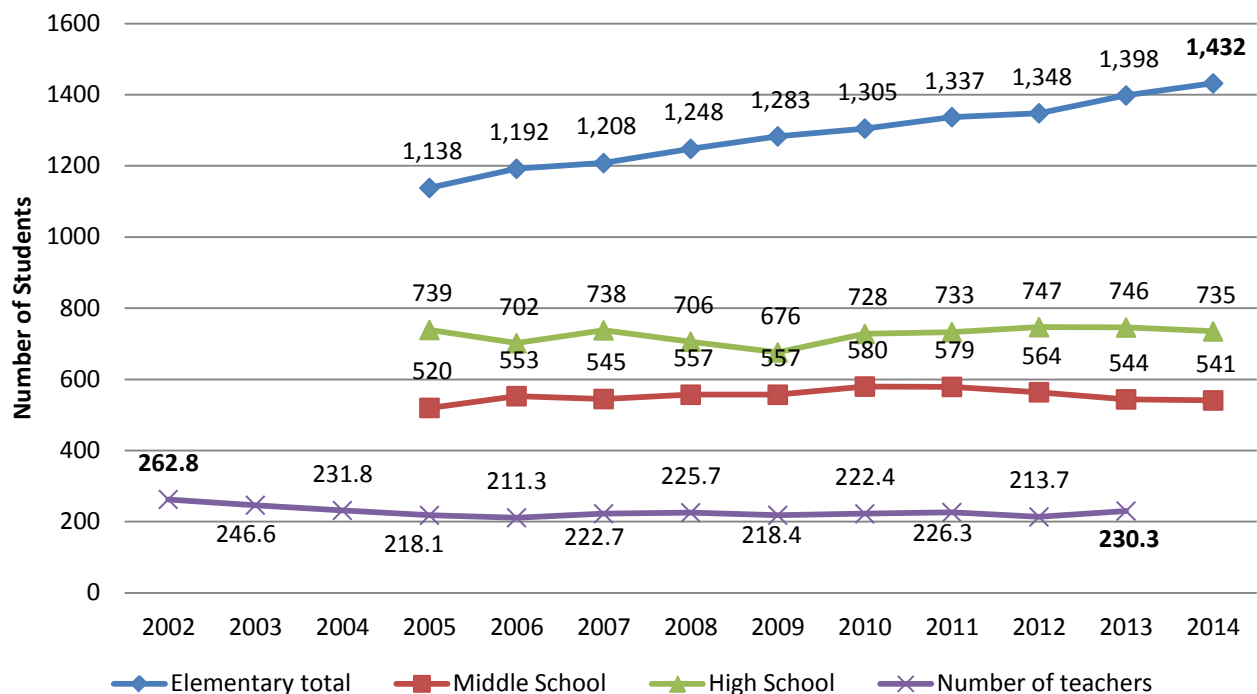
Cunniff		Hosmer		Lowell		Phillips PreSchool	
Position Requested	Number of FTEs	Position Requested	Number of FTEs	Position Requested	Number of FTEs	Position Requested	Number of FTEs
Guidance Counselor	0.5	ELL Teacher	1.5	Classroom Teachers	2.0	ELL Teacher	0.1
Behavior Support: contracted services		Fourth Grade Teacher	1.0	Behavior Support: contracted services		Recreation Specialist	1.0
Special Education Teacher	1.0	Special Education Teacher	1.0	Behavioral Specialist	0.5	Classroom Teacher	1.0
Reading Teacher	1.0	Library Media Specialist	0.5	Guidance Counselor	0.5		
Classroom Teacher	3.0	Music Teacher	0.5	Team Chair	0.5		
Library Media Specialist	0.1	Art Teacher	0.5				
ELL Teacher	0.5	PE Teacher	1.0				
Music Teacher	0.1						
Art Teacher	0.1						
PE Teacher	0.2						
<u>Subtotal</u>	6.5	<u>Subtotal</u>	6.0	<u>Subtotal</u>	3.5	<u>Subtotal</u>	2.1

Watertown's demographics are changing. The WPS population is diverse, dynamic, and complex.

Growth in Watertown's Student Population: Enrollment has steadily climbed over the last decade with 11% growth in the student population since 2005. The growth has mostly been in the elementary schools—where the class sizes have been ballooning—and undermine teachers' ability to meet students' needs. In the Teacher Survey, teachers repeatedly report that in large classes, few students receive differentiated learning or targeted interventions and support. The high achievers are not pushed, the middle of the pack are not inspired, and the children with difficulties are left behind. Preferably, to achieve classroom goals, classes would not exceed 22 children for grades 1-2 and not exceed 25 children for grades 3-5. (Figure 2)

The churn rate at WPS is 9.8%, and the intake rate is 6.3%. In other words, nearly 10% of students transfer into or out of WPS after the beginning of the school year,^{74,75} and the school system must integrate 6.3% of students per year. When students enter the district, they require immediate assessment in order to ensure they are properly placed in the classroom. Many students arrive in Watertown with serious special education needs, requiring WPS to respond immediately to special education, emotional, behavioral, and health needs. While WPS welcomes all new students, meeting each child's needs in a severely resource constrained environment is difficult.

Figure 2. Trends: Student Enrollment and Teacher FTE



⁷⁴ The *churn rate* measures the number students transferring into or out of a public school or district throughout the course of a school year. Each student is counted only once in the churn rate, regardless of the number of times during the year the student transfers in or out.

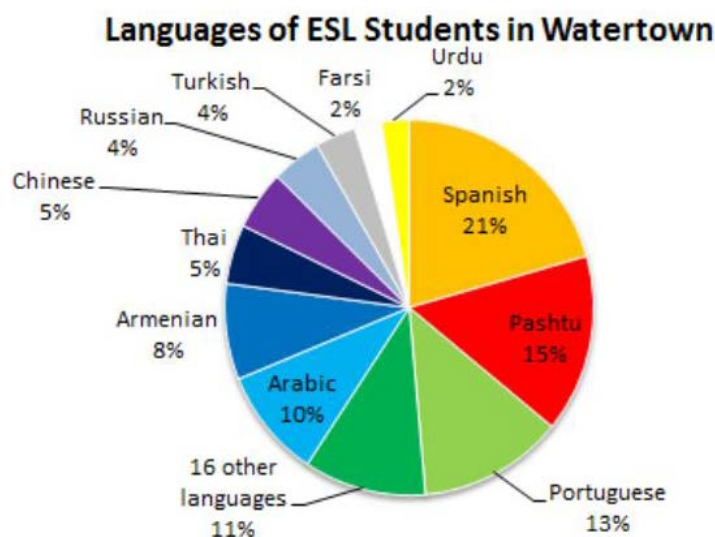
⁷⁵ Department of Education; Department of Elementary and Secondary Education http://profiles.doe.mass.edu/state_report/mobilityrates.aspx

WPS has a diverse and growing population—2,708 in-district and 152 out-of-district students—with a range of complex needs.⁷⁶ The WPS population is diverse in race, ethnicity, language, socioeconomic status, and abilities. Our public schools must rise to the challenge of educating every single child.

English Language Learner Program (ELL): English is not the first language for about 32% of students. Approximately **10%**⁷⁷ of students use the English Language Learner Program (ELL), which includes in class staff support, after school homework clubs, MCAS prep courses, professional development for staff, and support for private school partners.⁷⁸ Students speak a wide variety of languages including Spanish, Pashtu, Portuguese, Arabic, Armenian, Thai, Chinese, Russian, Turkish, Farsi, Urdu, and 16 other languages. (Figure 3)

In 2014, 7% of students at Cunniff, 12% at Hosmer, and 9% at Lowell were ELL students. The year-to-year growth in ELL by school was 18% at the Cunniff, 3% at the Hosmer, and 9% at the Lowell.⁷⁹ The state requirement for ELL students depends on the student's level. For example, level 1 and 2 students are required to receive 150 minutes of ELL instruction per day; however 54% of students are not receiving adequate instruction time, particularly at the elementary schools due to low staffing, limited collaboration, ineffective scheduling of students, and teachers working with four or more grade levels.⁸⁰

Figure 3. Languages represented in WPS



Watertown is socioeconomically diverse: About 1 in 3 WPS students are from low income families (**32%** of children in 2013).⁸¹ (Figure 4) Over the past decade, there has been a **43%** increase in the percentage of WPS students from low income families. The literature is clear that children from lower income

⁷⁶ Budget and Curriculum Presentation to the School Committee, February 24, 2014: https://docs.google.com/presentation/d/1IG3zDzDHye-T9dd6ySlvBFfe-JzMqwgPAzpuB-loU9m0/edit?usp=sharing#slide=id.g2b512ccc3_021

⁷⁷ Allison Levitt "English Language Learners: Title III" Presented at the School Committee, January 6, 2014.

⁷⁸ Allison Levitt "English Language Learners: Title III" Presented at the School Committee, January 6, 2014.

⁷⁹ Department of Education; Department of Elementary and Secondary Education http://profiles.doe.mass.edu/state_report/mobilityrates.aspx

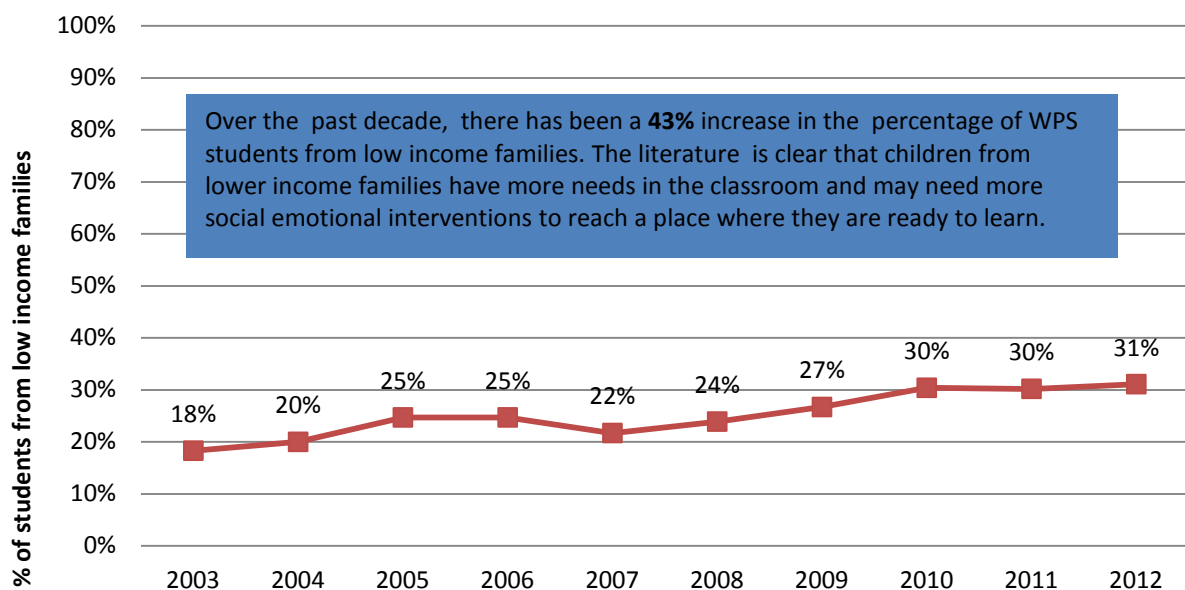
⁸⁰ Allison Levitt. Budget and Finance School Committee meeting. March 17, 2014.

⁸¹ Department of Education; Department of Elementary and Secondary Education http://profiles.doe.mass.edu/state_report/mobilityrates.aspx

families have more needs in the classroom and may need more social emotional interventions to reach a place where they are ready to learn.⁸²

- “Research indicates that children from low-socioeconomic status households and communities develop academic skills more slowly compared to children from higher SES groups.”⁸³
- “Children from low-SES environments acquire language skills more slowly, exhibit delayed letter recognition and phonological awareness, and are at risk for reading difficulties.”⁸⁴
- “Children’s initial reading competence is correlated with the home literacy environment, number of books owned, and parent distress.⁸⁵ However, parents from low-SES communities may be unable to afford resources such as books, computers, or tutors to create this positive literacy environment.”⁸⁶”
- “Children with higher SES backgrounds were more likely to be proficient on tasks of addition, subtraction, ordinal sequencing, and math word problems than children with lower SES backgrounds.”⁸⁷
- “Children from lower SES households are about twice as likely as those from high-SES households to display learning-related behavior problems. A mother’s SES was also related to her child’s inattention, disinterest, and lack of cooperation in school.”⁸⁸”

Figure 4. Percent from low-income families (DESE)



⁸² American Psychological Association. (2014) Education and Socioeconomic Status.

<http://www.apa.org/pi/ses/resources/publications/factsheet-education.aspx>

⁸³ Morgan, P. L., Farkas, G., Hillemeier, M. M., & Maczuga, S. (2009). Risk factors for learning-related behavior problems at 24 months of age: Population-based estimates. *Journal of Abnormal Child Psychology*, 37, 401-413.

⁸⁴ Aikens, N. L., & Barbarin, O. (2008). Socioeconomic differences in reading trajectories: The contribution of family, neighborhood, and school contexts. *Journal of Educational Psychology*, 100, 235-251.

⁸⁵ Aikens & Barbarin, 2008

⁸⁶ Orr, A. J. (2003). Black-White differences in achievement: The importance of wealth. *Sociology of Education*, 76, 281-304.

⁸⁷ Coley, R. J. (2002). *An uneven start: Indicators of inequality in school readiness*. Princeton, NJ: Educational Testing Service.

⁸⁸ Morgan et al., 2009

Watertown has a growing number of children with disabilities: According to Federal and Massachusetts law, Watertown has a legal responsibility to children and youth with disabilities from age 3 to 21.⁸⁹ WPS must meet the challenge of educating children with a range of disabilities including learning, health, communication, language, intellectual, neurological, emotional, developmental, and physical disabilities. In Watertown, we have children with multiple disabilities, autism, and those who have sensory, vision, and hearing disabilities, and are deaf and blind.

In WPS, as of March 2014, **21%** of students had disabilities including “a physical or mental impairment which substantially limits one or more major life activities” and be covered under Individuals with Disabilities Education Act (Section 504 of the Americans with Disability Act).^{90,91} Disability trends across five years at WPS are startling: WPS has experienced a 42% growth in students with a developmental delay, 43% growth in students with emotional problems, 23% growth in students with neurological problems, and a 464% growth in students with health problems, which include Attention Deficit Disorder and Attention Deficit Hyperactivity.^{92,93} These children require behavioral specialists but neither the Cunniff, nor the Lowell have adequate staffing. Asthma and allergies are also on the rise. Despite the growth in health problems, the number of nurses in the WPS has not changed.

The five year trend for children with autism in Watertown has grown 36%, from 50 students with autism five years ago to 68 students in the 2013/2014 school year. According to the CDC, nationally, 1:88 children are diagnosed with autism. If this were true in Watertown, WPS’s would have 31 students with autism, rather than 68 students.⁹⁴

Watertown children are in need of Special Education Services: WPS currently has **595** special education students⁹⁵, representing **21%** of our student population, compared to the state average of 17%.⁹⁶ If WPS was at the state average for special education students, we would have 460 students; however WPS must meet the educational needs of an additional 135 students above the state average, despite the fact that the Watertown school system is relatively small and does not have the economies of scale that some other districts and cooperatives with larger student bodies benefit from.

There is a growing need for Individualized Education Plans (IEPs): Further, the number of students with learning disabilities requiring IEPs^{97, 98} is rising. In the 2009/2010 school year, 460 students (17.5%) were on IEPs. By the 2013/2014 academic year, 587 (**21%**) students required IEPs, representing an increase of 127 students with complex classroom needs in four years.⁹⁹

Growing number of “High Needs” in Watertown: All of these demographic trends mean that Watertown has a higher percentage of “high needs” students than neighboring towns. “High needs

⁸⁹ Education Laws and Regulations around special education and disabilities online at <http://www.doe.mass.edu/lawsregs/603cmr28.html?section=10> \l "start

⁹⁰ To learn more about Section 504 IDEA Legislation: <http://www.doe.mass.edu/sped/links/sec504.html>

⁹¹ From the February 24, 2014 presentation, online at https://docs.google.com/presentation/d/1IG3zDzDHye-T9dd6ySlvBFe-JzMqwgPAzpuB-loU9m0/edit#slide=id.g2b76916dc_25

⁹² Budget and Curriculum Presentation to the School Committee, February 24, 2014: https://docs.google.com/presentation/d/1IG3zDzDHye-T9dd6ySlvBFe-JzMqwgPAzpuB-loU9m0/edit?usp=sharing#slide=id.g2b512ccc3_021

⁹³ To learn more about ADD and ADHD in schools: <http://www.doe.mass.edu/sped/links/healthimpair.html>

⁹⁴ Budget and Curriculum Presentation to the School Committee, February 24, 2014: https://docs.google.com/presentation/d/1IG3zDzDHye-T9dd6ySlvBFe-JzMqwgPAzpuB-loU9m0/edit?usp=sharing#slide=id.g2b512ccc3_021

⁹⁵ To learn more about Special Education in Massachusetts: <http://www.massresources.org/special-education.html>

⁹⁶ Budget and Curriculum Presentation to the School Committee, February 24, 2014: https://docs.google.com/presentation/d/1IG3zDzDHye-T9dd6ySlvBFe-JzMqwgPAzpuB-loU9m0/edit?usp=sharing#slide=id.g2b512ccc3_021

⁹⁷ To learn more about Individualized Education Plans: <http://www.massresources.org/special-education-benefits.html#iep>

⁹⁸ Massachusetts Special education laws and district requirements: <http://www.doe.mass.edu/lawsregs/603cmr28.html>

⁹⁹ Budget and Curriculum Presentation to the School Committee, February 24, 2014: https://docs.google.com/presentation/d/1IG3zDzDHye-T9dd6ySlvBFe-JzMqwgPAzpuB-loU9m0/edit?usp=sharing#slide=id.g2b512ccc3_021

students” includes students with disabilities, English Language Learners or former ELL students, and students from low income families. Many of the children who migrate into Watertown schools have complex special needs. This may be due to the fact that Perkins School for the Blind is located in Watertown and because Watertown is close to Boston, which is home to many state-of-the-art medical facilities. Families may move to Watertown because it is among the least expensive towns for rental properties, condos, and single family homes in the ring around Boston. Regardless of how many children show up at WPS on any given day, despite the child’s school readiness, health, socio-emotional wellbeing, language, behavioral issues or complex needs, and however costly the child is to educate, WPS is legally responsible to provide quality education to every child. Providing quality education to all students is a necessity.

At the same time, it is important to understand the cost implications of this responsibility, which may include medical care and nursing, occupational, speech, behavioral, and physical therapies, as well as mental health and social work services, all of which will be delivered through out-of-district school placements if WPS is unable to provide adequate services. By openly discussing costs, we can work to find solutions that enable WPS to continue to improve in efforts to meet the needs of all students.

The Challenges and Impacts: WPS are in trouble.

Teachers-to-pupil ratio and an inability to keep pace: High quality general and special education is essential to Watertown students. Regardless of their needs, children are entitled to a high quality public education. The above trends and challenging dynamics has forced a reallocation of teachers from general to special education. Admittedly, WPS needs more special education teachers given the intensive requirements of IEPs and children with special needs. At the same time, enrollment has grown for general education students while the number of teachers has not kept pace, resulting in general education classrooms that are bulging and bursting. Over the past decade, there has been a 12% reduction in the share of the expenditures on general education with a 24% increase in the share of expenditures on special education.

Currently the student-teacher ratio in general education is not keeping pace with enrollment, student needs', and the educational priorities of the school and town. In 2008, WPS employed 225.7 teachers. In 2013, there were 230.3 teachers. Over these 5 years, the total number of teachers has only increased by 4.6 FTE despite the complex transformation of the student body and changing legislation, testing, teacher evaluations, and curriculum changes. In WPS, between 77% (Lowell School and WMS) to 81% (Hosmer and WHS) of WPS teachers focus on general education, while between 9% (WHS) to 23% (Lowell School and WMS) of teachers focus on special education. Each of the elementary schools and the middle school have experienced a decline in the percentage of General Education teachers.¹⁰⁰ The schools now need approximately 16 additional general education teachers for 2015.

General Education is suffering: Many Watertown parents with children in Tier 1, general education, know there has been a decline over the past few years in differentiated learning, time on learning, and project based learning. Many children are no longer getting the instruction that they need to build 21st century skills. Teachers agree that they do not have the time to provide differentiated instruction, time on learning, and even quality feedback to students because of the numbers of kids in the classroom. In the Teacher Survey, teachers also reported that they were unable to do project based learning because of the number of children in their classrooms. These teachers were resorting to more worksheets and tests, as the number of course offerings paid for through the school budget has declined. WPS has only been able to add or maintain some art, music, language, library and other programs due to teacher and administrator grant writing and parent fundraising. While these contributions are commendable, the grant funded programs are unsustainable when used to cover basic operating costs.

General Education classes are ballooning: Given the enrollment trend, general education at WPS is now in an untenable situation with regard to class size and time on learning. The research is clear that class size should not be larger than 20 students in Pre-K and Kindergarten, no more than 22 students in grades one and two, and not more than 25 students per class in grades 3 through 12. If WPS are not adequately funded to meet the needs outlined in the Feb 24, 2014 presentation¹⁰¹, WPS class sizes will continue to expand to situations that make it increasingly difficult for teachers to teach and students to learn, with 26/27 students in Kindergarten at the Cuniff, bulging 2nd, 3rd and 4th grades at all Elementary

¹⁰⁰ Department of Education; Department of Elementary and Secondary Education <http://www.doe.mass.edu/>

¹⁰¹ Watertown Public Schools Curriculum Sub-Committee Vision 2014-2015 online at <https://docs.google.com/presentation/d/1IG3zDzDHyE-T9dd6ySlv8Fe-JzMQwgPAzpuB-loU9m0/edit?usp=sharing>

Schools, bursting 6th grade at WMS, and overcrowded English, math, science, social studies classes, specials, and study halls at WHS.

Teachers report that these bulging classes negatively impact learning, social connections, and behavior. At the high school, some students have two study halls in their schedule and study halls can have as many as 92 students. Also, with few options to entice students to stay at the high school, high school seniors often use their “senior privilege” to leave the building, further reducing time on learning. At WHS, the insufficient number of FTEs results in limited curriculum choices. Consequently, many students are only able to take five, rather than seven courses. It is possible that a WHS student would not be able to graduate on time because courses fill up.¹⁰²

While many teachers and administrators argue that even if the number of teachers requested in the 2014/2015 budget were hired, WPS classes would still be larger than in previous years and larger than optimal.¹⁰³ In fact the Lowell School is requesting fewer teachers than actually needed because of space limitations. Nevertheless, the research and WPS teachers and administrators are clear that the lower the class size, the better the student outcomes.

“WPS is on the edge of compliance with IEPs”. All children need high quality education and WPS must rise to the challenge of educating all children. However, the growth in the number of children requiring special education requires additional staff to implement IEPs, (*while keeping general education classes reasonably sized*). The increasingly complex needs of children with multiple disabilities, coupled with changing state legislation, and new health and safety protocols, make it increasingly difficult to ensure compliance with state and federal Special Education laws.¹⁰⁴ Some teachers have told us they are concerned that WPS are out of compliance and the Chair of the School Committee said that Watertown is on the edge of compliance.¹⁰⁵ Further, many parents of special needs children complain, and some teachers agree, that IEPs are not adequately followed. Indeed special education often requires academic and behavioral plans that are time-intensive to manage. In the Teacher Survey, many teachers expressed concerns that the school system is not adequately implementing IEPs and that the plans are being driven by the number of staff, rather than the needs of the child.

Graduation rates fell and haven’t recovered: Again, the implications of insufficient time on learning, limited curriculum choices, and large class sizes include negative impacts on learning, social connections, and behavior. The graduation rates in Watertown fell from a high of 90.4% in 2008 to 81.9% in 2009 and stagnant at 84.6% in 2013, which is just below the state average. (Figure 5) This is in stark contrast to rates in neighboring towns of Arlington, Belmont, Brookline, Lexington, Newton, and Wayland which range from 91% to 98%. While Watertown is geographically located near Boston and could benefit from real estate prices and economic development similar to these neighbors, the reputation of WPS holds the town back.

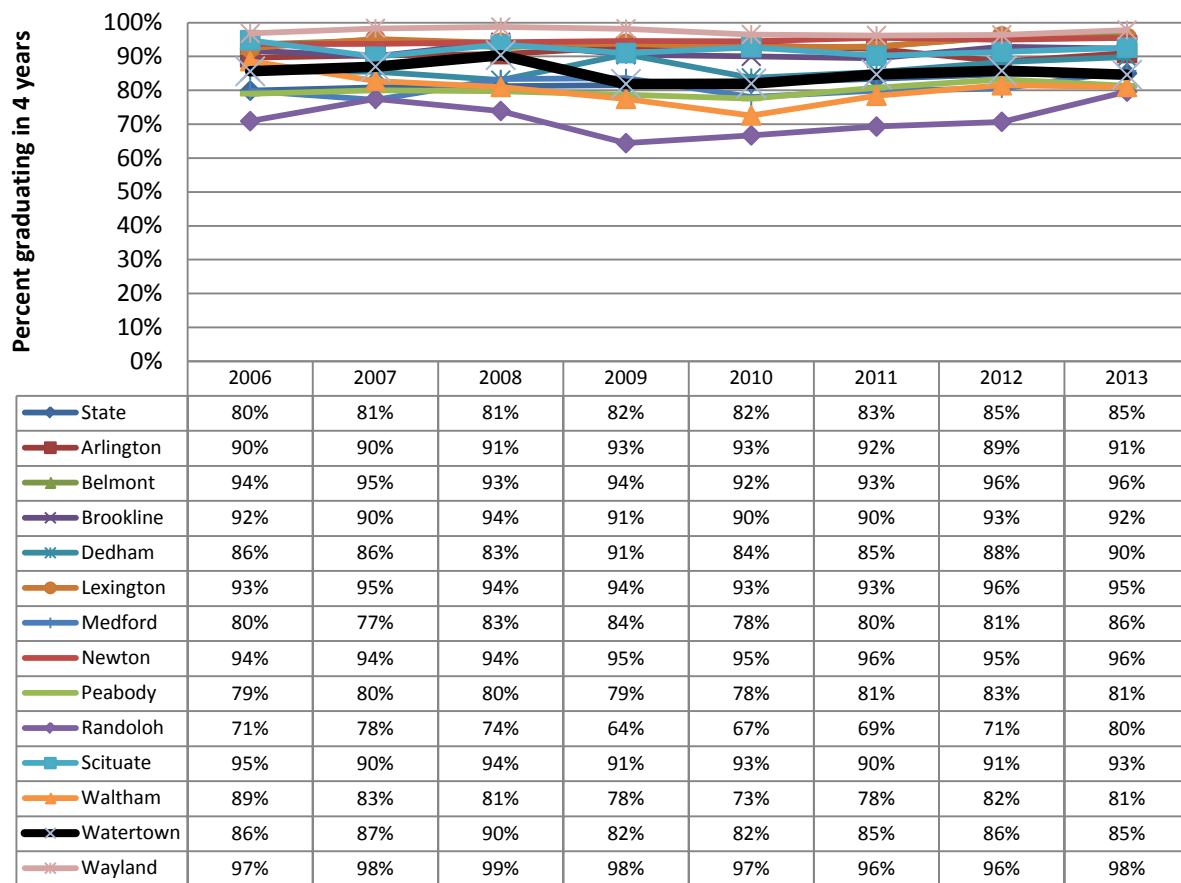
¹⁰² Discussion with Darilyn Donovan, Assistant Superintendent. February 4, 2014.

¹⁰³ February 24, 2014 School Committee meeting: <http://wcatv.org/watch/vod/viewvideo/1234/school-committee/school-committee-1614>

¹⁰⁴ To learn more about Special Education Laws and Compliance: <http://www.doe.mass.edu/sped/>

¹⁰⁵ Eileen Hsu-Balzer March 17, 2014 Budget and Finance School Committee meeting.

Figure 5. Trends in Graduation Rates by Town 2006-2013



Test scores are dropping: Although some bristle at the thought of standardized tests, the Massachusetts Comprehensive Assessment System (MCAS) is a standardized test that is used to measure student achievement and to monitor student and school performance over time. Scores can be compared across towns and districts. Home buyers also look at MCAS scores as an indicator of the quality of schools before purchasing a new home. Across the district, performance on these standardized tests is worsening while at the same time, the evidence is clear that in schools and across Massachusetts, the general trend is towards improvement, not decline.^{106,107}

All Massachusetts schools have a report card to measure progress over time.¹⁰⁸ (Figure 5) The cards report MCAS scores from 2010-2013, growth scores or the percent of students who have demonstrated growth from year to year, graduation rates, dropout rates, attendance rates, and SAT scores. Massachusetts has a statewide goal "to reduce proficiency gaps by half between 2011 and 2017." Previously, at the district level, WPS earned Level 1 ratings for meeting these goals. The district dropped to Level 3 in 2012. WPS received a Level 2 rating for 2013 "Meets Requirements, At Risk" because overall, our students did not meet targets for narrowing the achievement gap. Once a district is rated

¹⁰⁶ Mixed MCAS results: <http://www.wickedlocal.com/x348804237/Watertown-School-Committee-MCAS-results-mixed>

¹⁰⁷ For the full data to compare MCAS scores by grade, year and district: http://profiles.doe.mass.edu/state_report/mcas.aspx











¹⁰⁸ For the full 2013 Report Card on Watertown:

<http://profiles.doe.mass.edu/reportcard/rc.aspx?linkid=38&orgcode=03140000&fycode=2013&orgtypecode=5&>

Level 2, for accountability purposes, the district is required to “Use the district analysis & review tools to review and approve district and school improvement plans.”¹⁰⁹

Across the district, none of the high needs groups--low income students, ELL and former ELL, students with disabilities—met targets and in fact students with disabilities declined. Asian and multi-race students did meet targets, while Black, Latino, and White students did not meet targets. For most groups and subjects, there was little change in narrowing the achievement gap and year to year growth. While there was no change in narrowing the gap in math proficiency from 2012 to 2013, there were some gains in science proficiency.

Figure 6. Department Elementary Secondary Education

Student Group (Click group to view subgroup data)	On Target = 75 or higher - ■		View Detailed 2013 Data
	Less progress	More progress	
All students		49	Did Not Meet Target
High needs		52	Did Not Meet Target
Low income		53	Did Not Meet Target
ELL and Former ELL		53	Did Not Meet Target
Students w/disabilities		49	Did Not Meet Target
Amer. Ind. or Alaska Nat.		-	
Asian		90	Met Target
Afr. Amer./Black		52	Did Not Meet Target
Hispanic/Latino		52	Did Not Meet Target
Multi-race, Non-Hisp./Lat.		78	Met Target
Nat. Haw. or Pacif. Isl.		-	
White		51	Did Not Meet Target

If we look closely at the elementary schools, according to the 2013 report card for the Cunniff, Hosmer, and Lowell Elementary Schools:

- All students: Did Not Meet Target
- High needs students: Did Not Meet Target
- Low income students: Did Not Meet Target
- Students with disabilities: Did Not Meet Target
- English language learners & former ELLs: Did Not Meet Target

While scores vary by school, grade and subject, when we look across our elementary schools, approximately 2 out of 5 children scored in the range of “needs improvement” or “warning” in ELA and Math. In some of our elementary schools and grades, WPS was above the state average and in others, below. What is worrisome to administrators and parents, is that the trend across Massachusetts is towards an increase in students with proficient or better scores. If we examine a cohort of children over two years at the Lowell School—our best performing Elementary school on MCAS—we see that 19% of students who scored “proficient” or “advanced” in Math in third grade, slipped backwards to “needs improvement” or “warning” by fourth grade. Our students are headed in the wrong direction. Another 8% of students where were “proficient” or “advanced” in math in fourth grade, fell to “needs improvement” or “warning” by 5th grade. These differences in the percent that drop in performance are statistically significant.

¹⁰⁹ Response to Level 2 ratings: <http://www.doe.mass.edu/apa/framework/framework.pdf>. The state is required to “Conduct district reviews for randomly selected districts and suggest assistance.” For assistance purposes, the state is required to suggest “targeted assistance for identified student groups, professional development opportunities, etc.” and the District should “review and revise district and school plans with respect to level of implementation of District Standards and Indicators and Conditions for School Effectiveness.

At the Middle School, 8th grade science is particularly troublesome as 7 out of 10 students scored in the range of “needs improvement” or “warning”. Further, if we examine a cohort of students over two years at the WMS, the same downward trend occurred. Five percent of students that scored in the range of “proficient” or “advanced” in Math and English in 6th grade, were no longer “proficient” in 7th grade, while another 5% who were “proficient” in math in 7th grade were no longer “proficient” in 8th grade. These students slipped down into the range of “needs improvement” or “warning”.

These results, although disappointing, are not surprising given that there are 28 students in a classroom, our principals tells us they do not have enough teachers and instructional assistants to meet Watertown goals for time on learning and differentiated instruction. Further, WMS science teachers report that they do not have lab space or technology in the classrooms. WPS Science teachers are in a difficult position teaching science in overcrowded classrooms. One teacher reported:

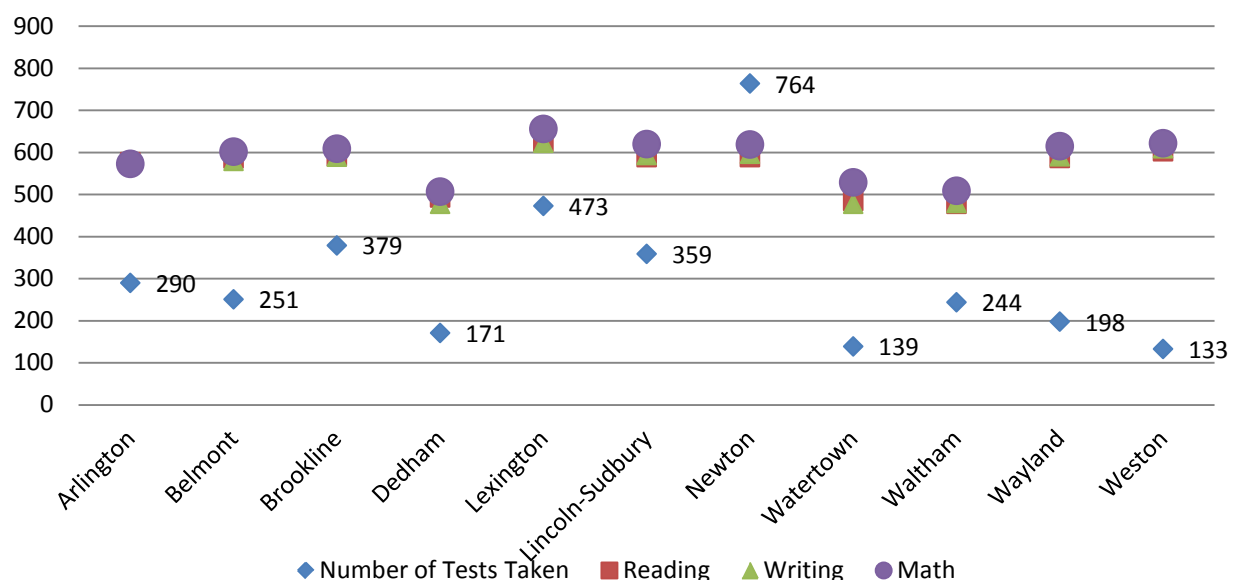
“It is extremely challenging to teach AP science courses without dedicated lab time. I routinely hold kids for 30 minutes after school or have them (and me) work through lunch so that we can complete the labs that are required for this course.”

Consequentially, we are losing strong students from the WPS whose families never enter or leave the school system for other districts or private schools (approximately 12% of children in Watertown are in private schools or home schooled).¹¹⁰ When children leave WPS, our students lose strong peers to learn alongside. When families move out of district in search of better schools, Watertown loses active families that prioritize quality education.

Scholastic Aptitude Test (SAT): The state report cards also presents SAT score data. Students at WHS scored below the state average in reading (485 vs. 507) and writing (478 vs. 501) and just above the state average in Math (529 vs. 522). (Figure 7) Watertown students that took the test (n=139)—a self-selected group that plans to attend college—scored below students in Arlington, Belmont, Brookline, Lexington, Lincoln, Newton, Wayland, and Weston and similar to students in Dedham and Waltham.

¹¹⁰ “School Attending Children as of January 1, 2014: Watertown.” Provided by Darilyn Donovan, Assistant Superintendent.

Figure 7. SAT Scores across neighboring towns



MassCore:¹¹¹ The Massachusetts High School Program of Studies (MassCore) was designed to help “high school graduates arrive at college or the workplace well prepared and reduce the number of students taking remedial courses in college. MassCore recommends a comprehensive set of subject area courses and units as well as other learning opportunities to complete before graduating from high school. ” The recommended program of studies includes: four years of English, four years of math, three years of a lab-based science, three years of history, two years of the same foreign language, one year of an arts program and five additional "core" courses such as business education, health, and/or technology. MassCore also includes additional learning opportunities including AP classes, dual enrollment, a senior project, online courses for high school or college credit, and service or work-based learning.

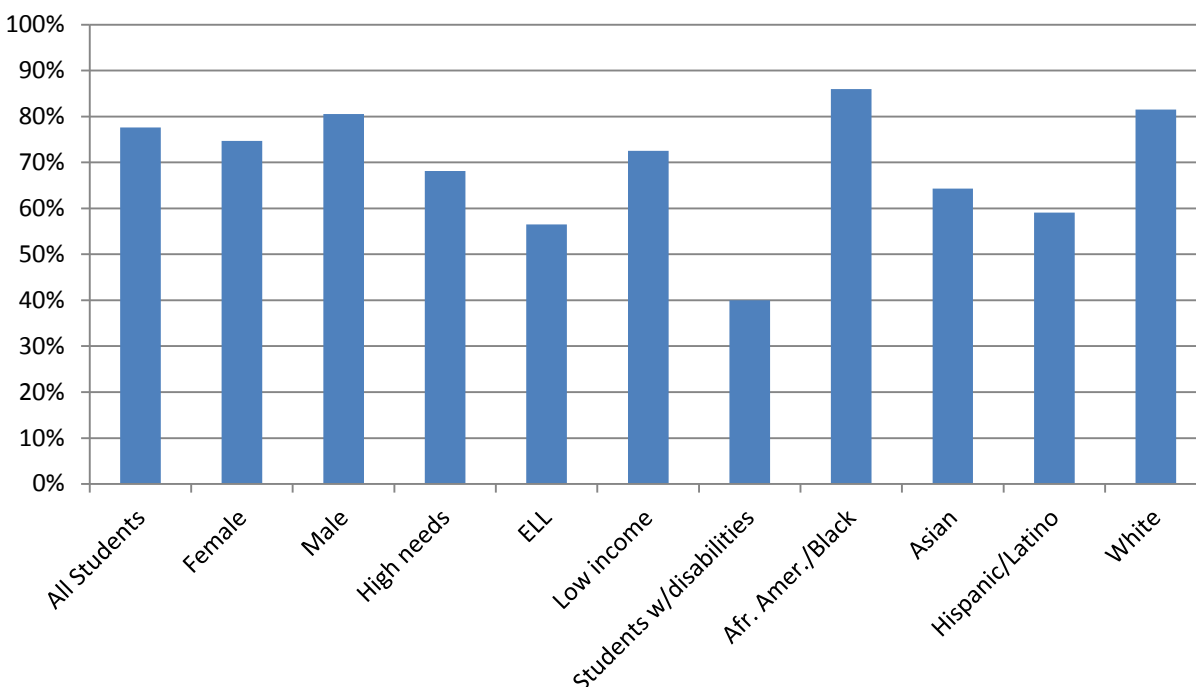
Only 80.5% of WHS students completed the MassCore in 2013.¹¹² (Figure 8) Undoubtedly, this is partially due to the limited curriculum choices available at WHS. The District Report Card documented various disparities that emerged in MassCore completion, such as that fewer girls than boys completed the MassCore and disparities in completion based on low income status, race/ethnicity, first language, and disability status.

¹¹¹ To learn about MassCore <http://www.doe.mass.edu/ccr/masscore/>

¹¹² Watertown's full report card:

<http://profiles.doe.mass.edu/reportcard/rc.aspx?linkid=38&orgcode=03140000&fycode=2013&orgtypecode=5&>

Figure 8. Percent of graduating students that completed MassCore



WPS Teachers and Administrators are frustrated: Watertown has higher turnover at the level of Superintendent, Principals, and Teachers than the Massachusetts state average and “comparable” districts.¹¹³ The Cuniff Elementary School has now seen three principals in the past 5 years. According to one teacher in the survey:

“In my 12-year tenure, I’ve worked with six principals and four superintendents. Administrative transience is a challenge for the Watertown Schools and its teachers. I’m not sure why folks seem to use this community as a stepping stone. Talented, committed leadership, a stable curriculum, as well as top-notch teachers are all needs [at WPS].”

Still, despite these the challenges mentioned, WPS teachers not saying they cannot educate the diverse student body. They are saying they do not have the resources to meet the WPS goals of building safe and caring schools, maintaining reasonable class sizes and time on learning, offering a wide range of curriculum opportunities, differentiated and tiered instruction, and adequate support and materials. WPS needs the resources to educate our children.

To understand how much teachers spend in their classroom, we conducted a survey of WPS educators. As of March 24, 2014, we received 120 replies from our survey of teachers, instructional assistants, guidance counselors, and other WPS staff. Nearly 40% of respondents had been at WPS for 10 years or longer and more than 80% had been at WPS for more than 3 years. Teachers expressed a number of challenges and concerns about WPS. We asked respondents what their three major concerns were. The concerns that were repeatedly reported include the following:

- Large and growing class sizes

¹¹³ District Analysis and Review Tools Department of Education; Department of Elementary and Secondary Education <http://www.doe.mass.edu/apa/dart/>

- Inadequate staffing and not enough instructional assistants, which relates to large and growing class sizes (ELL, special education and general education)
- Lack of supplies and materials, including textbooks
- Lack of curriculum
- Safety concerns
- Inadequate support from the Town
- The mental health of students and staff
- IEP services not being carried out according to the grid
- Special education staff divided between too many classrooms
- No math or writing Tier 2 support personnel, and not enough specials (courses)
- Inadequate support to meet the needs of low income students, ELL students, general, and special education students.
- Watertown has a transient population with lots of international transfers with little or no previous education
- WPS buildings are in disrepair: Inadequate space, rooms that have been flooded numerous times, and missing ceiling panels
- Need budget allocated for each classroom teacher for project based learning, science experiments, guided reading books
- Lack of professional development

Next, we asked teachers to tell us what they have seen change in the past 3 to 5 years: Teachers have seen:

A changing student body and more serious issues

"I don't feel that people recognize the true issues of poverty, and transient lifestyles and gaps in educational history that many of our students face. In general, the active parents in Watertown are from moderate to high socioeconomic situations. We have many children transfer in and out and many children are doubled up with other families- essentially homeless. We also have many students who move both internationally, state to state and within MA causing inconsistent instruction and time out of school. This leads to issues in the classroom such as fatigue, gaps in education, lack of snack, no homework, and low parental involvement. When we do so much to meet a child's basic needs, it is difficult to balance academic tasks. It is also important to acknowledge that schools are the only public agency that helps many of these families. We have many students with special needs, tragic domestic circumstances, and mental health diagnosis that have no community support. The lack of parent ability to engage in a solution and the scarcity of proper resources for children largely contributes to that issue. However, as educators we are responsible for their learning and social emotional growth and we do our best to fill each and every role for all of our children."

"A larger number of ELL's, students with Autism spectrum disorder, and serious emotional disturbances, makes teaching and learning significantly more challenging."

"With a larger caseload with more challenging students it is difficult to give each student as much attention and is more difficult to meet with teachers to collaborate around inclusion."

"I spend a great deal of time on social issues such as bullying and work related to struggling domestic/ family situations."

"Our population of students that struggle academically seems to be growing, but we don't have enough tier 2 teachers to support them. If we had more support I believe that we could keep some from needing to go on IEPs."

"Over the past 3-5 years there has been a huge decline in the quality of education that I can provide to students. I now spend at least 1 full hour out of my day dealing with serious discipline issues: i.e. students hitting/pushing teachers or other adults, students disrupting the learning of the entire classroom- shouting out, and students refusing to do work in school..."

"More medically complex student's with the same amount of nurses."

Changes in level of services offered due to increasing class sizes and fewer teacher hours

"Because my classroom is out of compliance, I am always working with my students on IEPs, leaving everyone else with little teacher-time. I hardly ever conduct one-on-one writing conferences anymore because I always have to sit with two students who are supposed to have IA support during writing, but don't. It actually makes me sick to my stomach thinking about how illegal it is."

"Class sizes have grown from 16 to 24. Less time for reading. More curriculum in general which makes it harder to fit everything in."

"Amount of feedback has decreased due to lack of time for one-on-one meetings because in-class support has decreased for students who need additional help but may not have it listed in IEPs."

"I'm finding I'm more apt to be less creative in the projects/assignments I do with my students. This is NOT due to the Common Core ,as that encourages project based learning. However the materials and supplies to do educational, interactive projects often are unavailable or must be purchased out of pocket. It ultimately adds up. Again, time to create effective projects is also an issue."

"My time has been split among more children. Very little one-on-one time."

"Project are simplified in terms of materials used due to scheduling constraints. Little feedback is given to students on a regular basis due to a lack of time to meet and talk with students about their work."

"Most challenging is class size. Students are needing more and more support to understand the concepts being taught. Reteaching is challenging with such large numbers and the support staff in the building are pulled for intervention groups and cannot help support needy kids in the classrooms because their schedules are dictated by administration. Secondly, the districts pacing is fast and trying to keep up with the timelines they put in place and make sure that children really are understanding new concepts is very challenging."

"It's hard to assign projects, give weekly progress reports, and allow access to assignments online when the school cannot provide ink for printers. I have been using more online resources such as TeacherWeb for communicating with students and parents."

"Teachers continue to employ various teaching methods; however, they tend to fall back on the methods that they are most comfortable with when class sizes grow or when there are a number of hard-to-teach students without support."

"Class sizes have grown significantly spreading my time and resources thin."

"Without classroom support for the teachers, my expectations have to be lower for what my students can do in the classroom when they do not have the level of support they require."

"I have seen a shift away from projects and an emphasis more on worksheets and tests."

"Class size has fluctuated a great deal. Usually I have approx. 100 students across 5 classes-- the past couple of years it has been closer to 120-125. This year its 75 (over half of these are AP students). When I have more students I am much more limited in the amount of feedback and number of projects I can give."

"Everything takes longer because there are more students to get around to. I have also not done certain projects because of the lack of help or because I just don't have the time. Also, I want to move ahead with technology instruction and doing projects on laptops and iPads, but always afraid I won't be able to sign them out. So many classes are sharing them."

I give fewer "technology assignments because [of] less man power (e.g. IAs, technology integration teacher) to help provide students with support. It's very difficult to conduct individual writing conferences when I need to monitor the other 24 students and attend to their questions and needs. In general, just spread thin."

Changes in supports and numbers of teachers, tightening budget

"I have definitely noticed less and less support in the classroom for the students. We seem to have less SPED and ELL teachers and we definitely have fewer IAs."

"In the town, the budget is becoming so tight, that we are losing precious teachers...It's been proven that smaller class sizes and quality teaching will prevail and the town is not enticing teachers to stay."

"There are also not ample supplies even paper or pencils to teach students thoroughly."

"Having roughly 350 kids on my caseload prohibits me from working with children more than if like to."

"Teachers who love teaching are getting burnt out due to the above stressors. Teachers who are not invested don't get bothered by the above. We need more teachers who truly put in the time, energy, and effort. We will continue losing good teachers in Watertown if things continue on the downward spiral we have been on the past 7+ years financially."

"There is an increasing stress level in school because of the inability to meet the needs of children in our classrooms because of limited funding for aides to support children with needs."

Changes in teaching responsibilities

“My job has gotten more and more time intensive. I teach, administrate, evaluate, and make informed decisions on purchases for the district. Teachers are no longer supported as they should be. We have lost staffing and teachers and administrators need to do twice and three times the work they once did.”

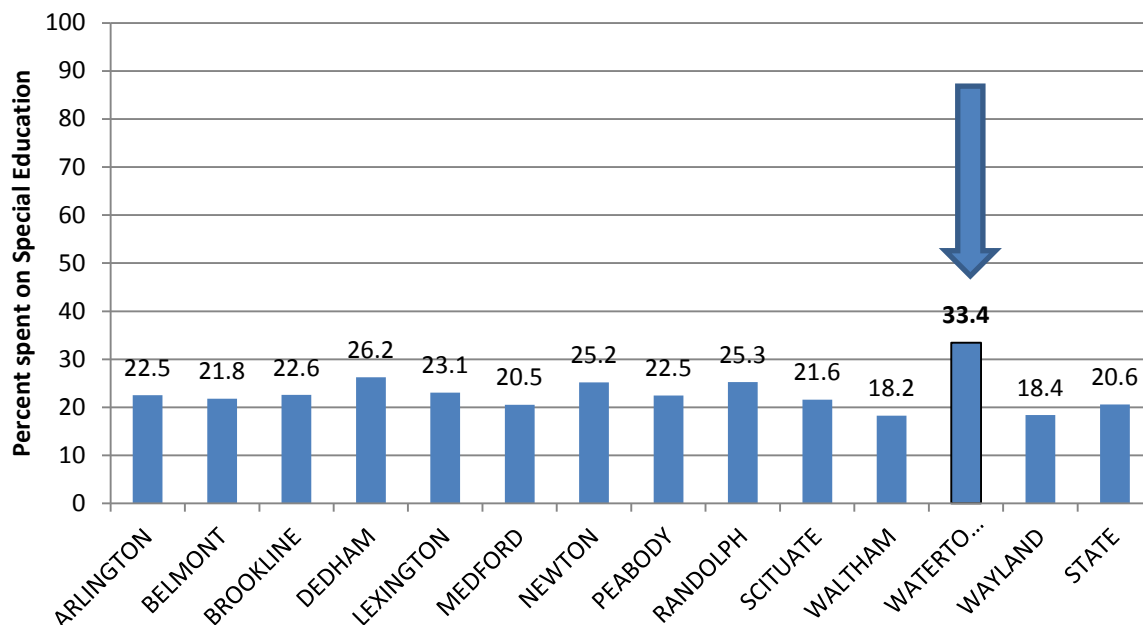
“Thirdly, not having curriculum in all the areas that I need to teach, makes me need to not only be a teacher but be a curriculum developer and writer, this is overwhelming, and things don’t always match up or fit together the best way.”

WPS: Expenditure trends and our unique and complex situation

According to federal and state laws, Watertown has a legal responsibility to educate every child in a manner that enables the student to learn, regardless of whether the student is a high achiever, has behavioral issues, is an English Language Learner, is physically disabled, or is developmentally disabled. Since the 1970s, Watertown has consistently demonstrated a strong commitment to children with special needs. Given the high percentage of children with high needs in Watertown and the declining situation of general and special education, it is important to examine the demographic and budgetary trends in Watertown to understand how to proceed.

Trends in expenditures for general and special education: In 2012, Watertown allocated 33.4% of the school operating budget to special education, placing the town in the 100 percentile for spending on special education, above neighboring and comparable towns and above the state average of 21%. (Figure 9)

Figure 9. Special Education as a % of School Operating Budget by Town, 2012



While the state average has remained stable, this represents an 8% change in the allocation of expenditures from general to special education over the past decade. (Figure 10)

If we look closely at the trends in the number of students in various special education services, we see that the changes since 2006 are somewhat subtle. There was a dip in the number of students on IEPs from 2006, but that number has been climbing since 2009. (Figure 11) The number of full inclusion students has remained relatively flat. The number of partial inclusion students fell, but is climbing again. The number of in-district 'substantially separate' students has fluctuated but is relatively flat. The

number of out-of-district placements has fluctuated and grown since 2006. This data is only through 2012; however, and 2014 numbers are higher in all categories. The important point is that while the numbers of students in each type of service fluctuates, there is an upward trend, while the cost of services is rapidly increasing.

Figure 10. Change over time in percent of school expenditures on General and Special Education in Watertown and compared to the state average

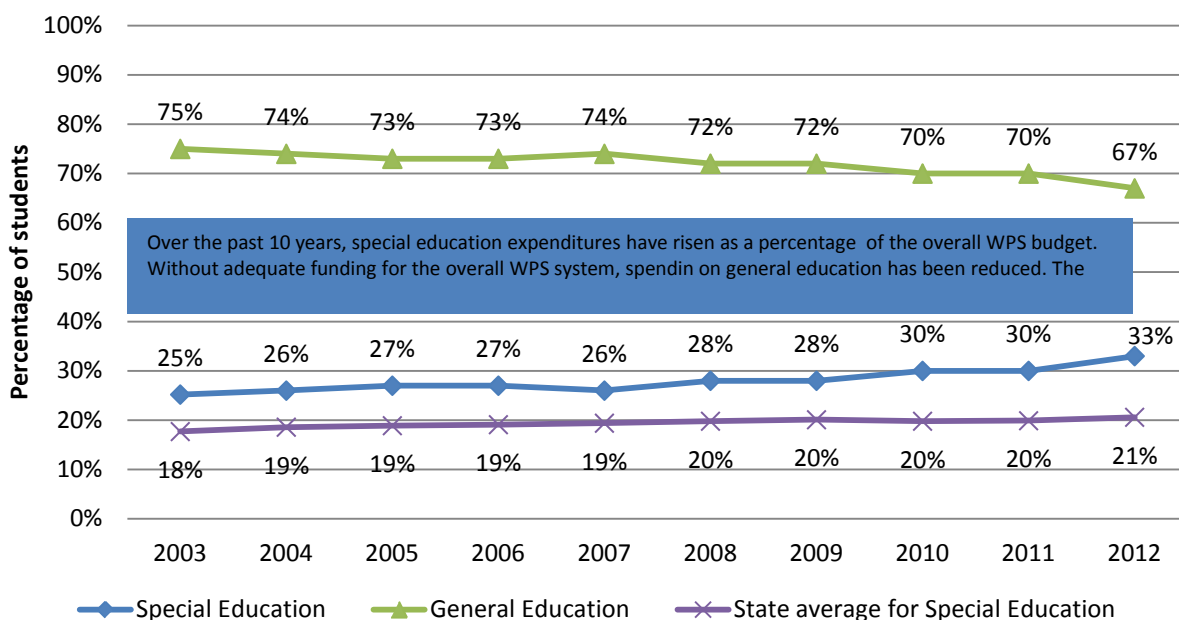
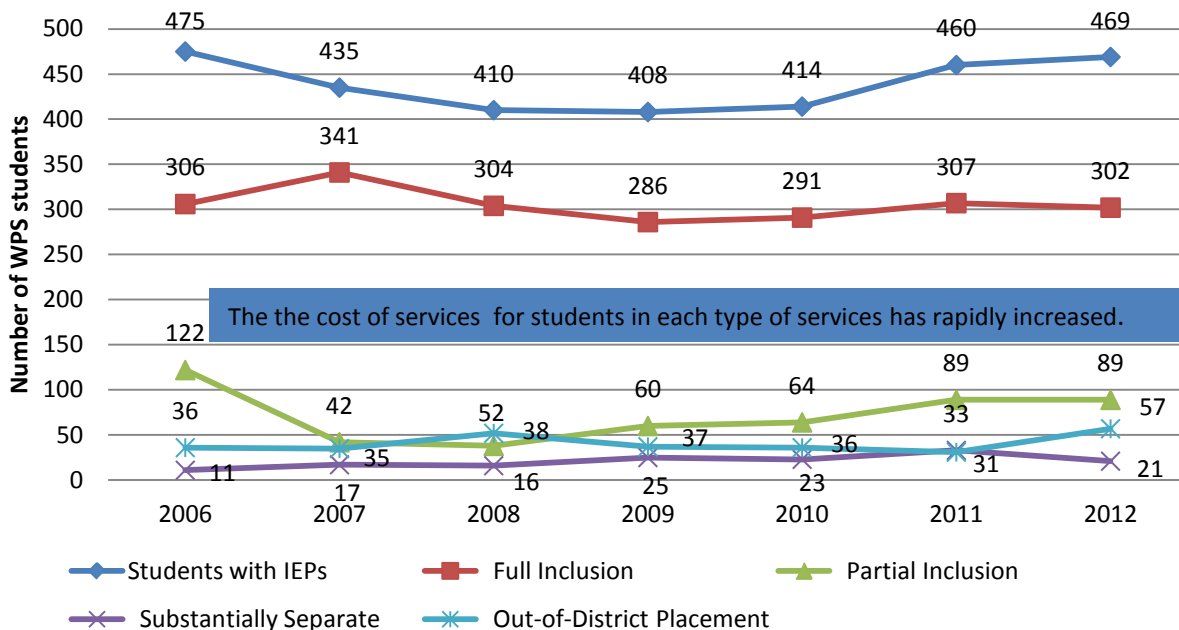


Figure 11. Trends in the number of Special Education students at WPS 2006-2012, DESE

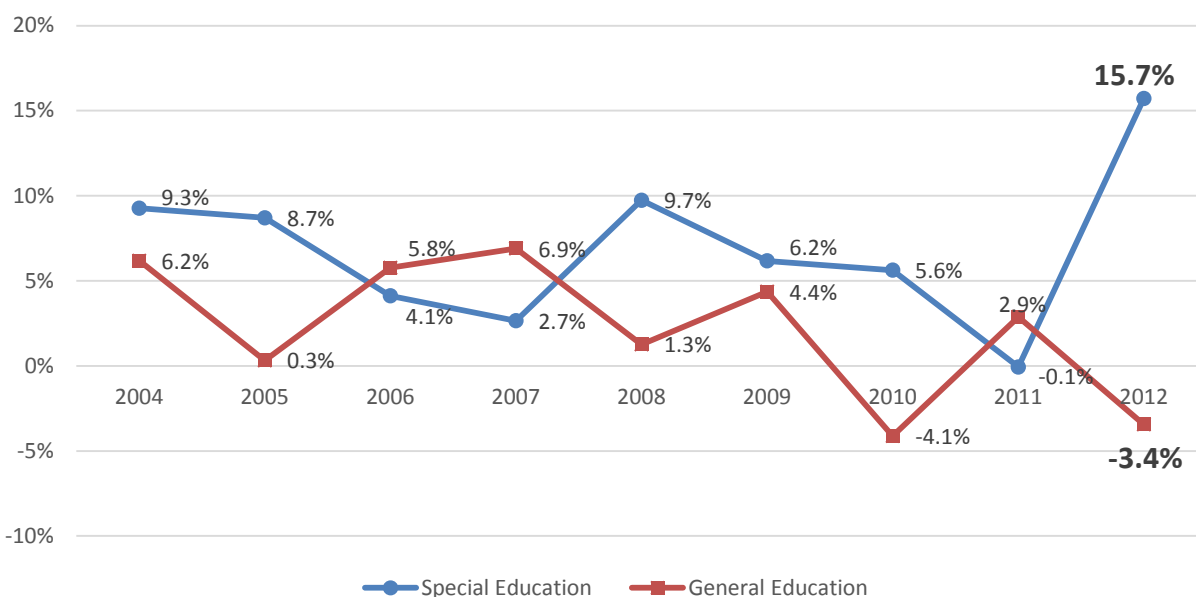


Rapid increases in the cost of special education: The challenge of managing the costs of out-of-district placements is overwhelming. Currently 72 (3%) of Watertown students have special needs that cannot be met in WPS. These children and youth are placed in specialized out-of-WPS district schools. WPS covers the costs, minus some state assistance (Circuit Breaker^{114,115}, Chapter 70^{116,117,118}). Again, while the number of these out-of-district placements has remained relatively flat—although grew to 72 students as of March 2014—the cost of these placements has risen tremendously¹¹⁹ including in 2014:

- 7.5% increase at Melmark (from \$223,340 to \$240,095)¹²⁰
- 8% increase at Minuteman Technical High School¹²¹
- 8% increase at the Case Collaborative¹²²
- 12.7% increase at The Education Collaborative (TEC) Phoenix in Dedham¹²³

Again, special education costs more per student than general education, however Watertown spent more in 2012 on special education than all other neighboring and comparable towns, as well as more than the state average (33.4% vs. 20.6% respectively). In 2013, the year-to-year growth in special education spending for WPS was 15.7% (now at \$13.1 million) compared to a -3.4% reduction in general education spending (now at \$26.1 million) (Figure 12 and Figure 13)

Figure 12. Watertown SPED vs Non-SPED Operating Budget Spending



¹¹⁴ To learn more about the State Circuit Breaker funding: <http://www.doe.mass.edu/finance/circuitbreaker/>

¹¹⁵ To learn more about how Circuit Breaker funding is calculated: See March 3, 2014 School Committee <http://wcatv.org/watch/vod/viewvideo/1290/school-committee/school-committee-3414>

¹¹⁶ To learn more about Chapter 70 funding: <http://www.doe.mass.edu/finance/chapter70/>

¹¹⁷ To learn more about what is wrong with the Chapter 70 Formula: <http://willbrownsberger.com/whats-wrong-with-chapter-70/>

¹¹⁸ To learn more about Chapter 76 <http://www.mass.gov/eohhs/gov/laws-regs/mcb/mass-chapter-766.html>

¹¹⁹ To see the costs of out-of-district placements for MA schools: <http://www.mass.gov/anf/budget-taxes-and-procurement/oversight-agencies/osd/special-education-pricing.html>

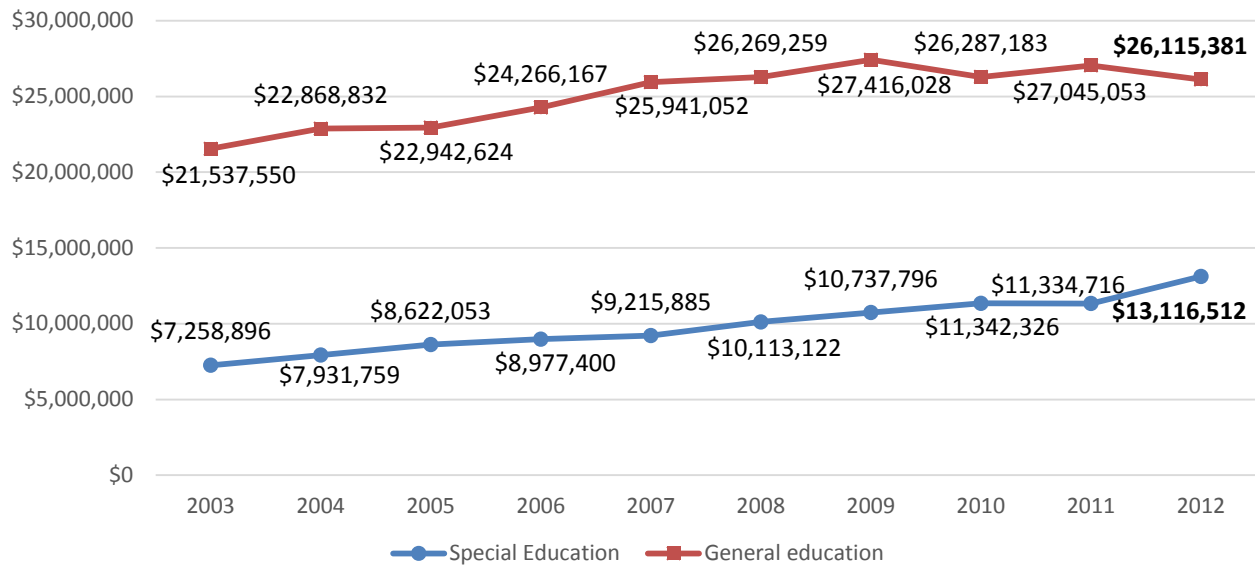
¹²⁰ Melmark New England <http://www.melmarkne.org/>

¹²¹ Minuteman High School <http://minuteman.org/>

¹²² Case Collaborative for low incidence disabilities: <http://casecollaborative.org/>

¹²³ The Education Cooperative (Tec) Pheonix <http://www.tec-coop.org/>

Figure 13. Watertown Special Education and General Education Spending



The distribution of special education costs: If we examine trends in special education costs over the last decade, we see a **62% increase** in expenditures on private and out of state schools and a **49% increase** in expenditures on teaching (Figure 14). Expenditures on instructional items has fluctuated. Again, meeting students' needs in-district reduces out-of-district placements. However, Watertown has a disadvantage due to its relatively small size. For students with low-incidence disabilities, it is not feasible for WPS to provide services in district.

Figure 14. Trends in Special Education Expenditures for Teachers, Collaboratives and Private Schools

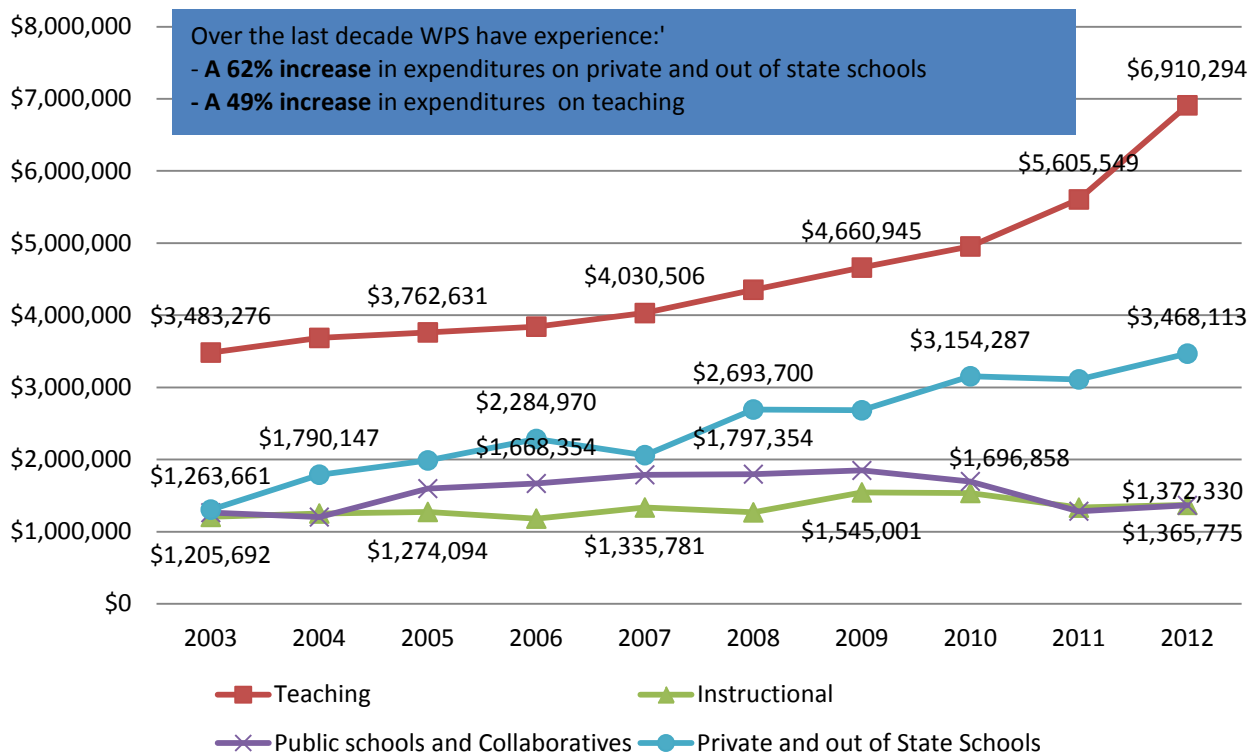
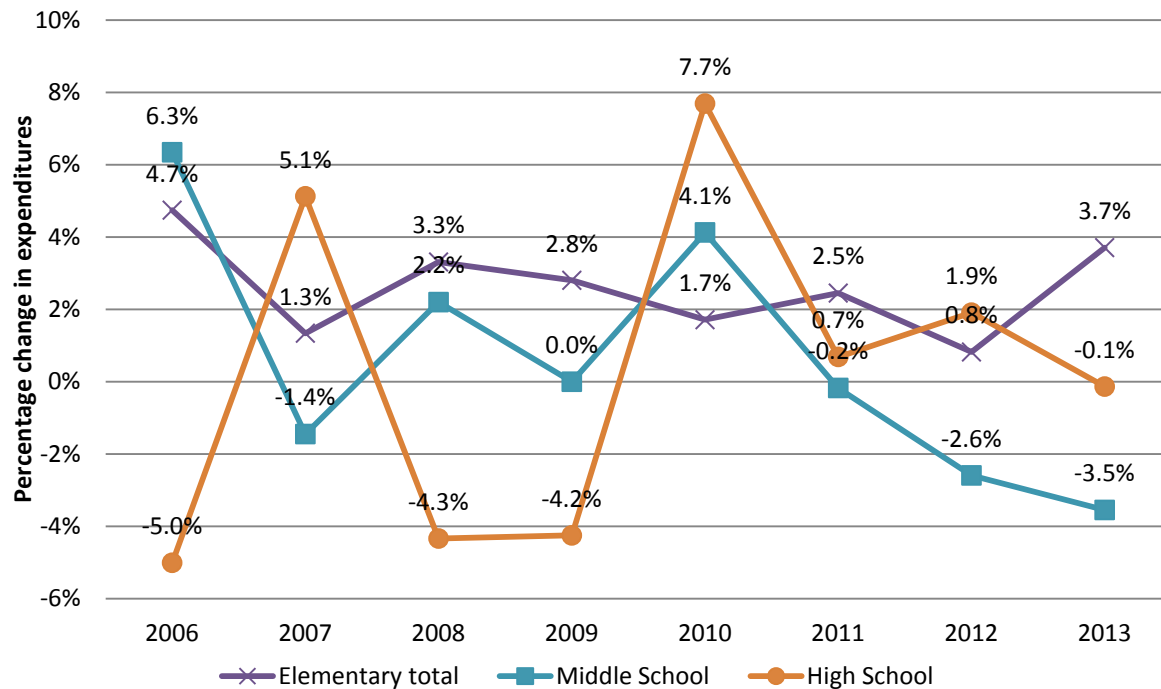


Figure 15 illustrates how the school spending has changed for the elementary, middle, and high school since 2006. Spending at WHS has generally declined, WMS has declined since 2010, and increased slightly at the elementary schools, although not at all kept pace with the increasingly complex and growing student body.

Figure 15. Percentage change in expenditures by year 2006-2013 in WPS



Impacts of rising costs, insufficient budget: The impacts of these costs vis-à-vis rising enrollment and only a 2.4% compound annual growth means that WPS have lost teachers, instructional assistants, specials teachers, library media specialists, school resource officers, and counselors. Examples of how the schools have worked to manage include:

- At the Lowell School, in 2013, four second grade classes were made into three classes and six fourth/fifth grade classes were combined into five class. This has resulted in very large class sizes (25-29) which have posed serious problems. This model that has solved some budget and enrollment issues in the past is no longer an effective solution because literacy and content areas cannot be integrated as they should be according to the CCSS. Also, reading and ELL teachers are not working with students in the manner in which they should.
- At the Cunniff School, the principal decided to utilize student teachers, have 5th graders help 1st graders who need additional reading support, and used parent volunteers in the lunchroom and library. The PTO provided funds to pay substitute teachers, to allow teachers time for planning and attending IEP meetings. This academic year, the Cunniff School has 11 less Instructional Aides compared to 2012-2013. This has a direct impact on students and on teachers' ability to deliver an education that meets the district-wide goals and CCSS. Further, students who were unsafe or disruptive in the classroom were previously able to be removed from the classroom quickly if they were making inappropriate or unsafe choices. This year, if, e.g., a behavioral

situation arises requiring immediate attention, IAs have to be pulled from their assigned classrooms, leaving students and teachers under-serviced. Meanwhile, students who are being disruptive in the classroom often have to remain in the classroom, leading to further disruption to their peers. to support them. Other impacts include rationing of basic supplies including paper and pencils and the loss of a full-time librarian/technology teacher and under-utilization of our library.

WPS Teachers Out-of-Pocket: A decade ago, Watertown teachers received funds for materials and supplies. This money dwindled from \$1000 per year, to \$750, to \$500, and was finally cut. As a result, WPS run out of basic materials including paper, pencils, glue sticks, workbooks, text books, books for reading, printer cartridges, math manipulatives and other supplies. To understand how much teachers spend in their classroom, we conducted a survey of WPS educators. Out of 90 classroom teachers, 98% reported spending money out of pocket to purchase classroom supplies. Teachers spent between \$10 to \$250 per month for classroom materials. On average, teachers spent \$73 per month. Teachers explained what they purchase and those who did not spend much money on supplies thanked parents and PTOs for helping them:

"I no longer count on the Watertown Public schools to provide any of my materials. I spend at least \$1000 each year, out of my own pocket. This includes everything- board markers, printer cartridges, paper for scrap work, pencils, sets of calculators, etc. Ten years ago I could count on the school to provide at least some of these supplies. In order to run a minimally efficient classroom, I must pay for all necessary items myself."

"Fortunately, I don't have to spend an outrageous amount of my own money because I have wonderful parents who go above and beyond to support my classroom."

"At the beginning of school, I must spend at least \$200-\$300 just on organizational tools and name tags etc. Although I have been teaching for 15 years, every book in my classroom library I have purchased myself. Every poster, bulletin board paper and border, multi color dry erase markers, calendars, pocket charts, crate, bin, fans, bookcases, electric pencil sharpeners, radio, headphones, book sets, binders, stools, rug pillows, curtains, white boards, art and craft supplies, indoor recess games... all have been purchased by me. If I were to leave my classroom, it would be empty! Just desks and chairs and two very old computers."

"As a special educator I purchased a computer so I could be more efficient. We finally got one this year. I also provide my students with most educational materials that target individual needs. I also work way past school hours as many teachers do in order to get the job done with integrity focused on the children..."

"I understand having to purchase some specialized materials for my students, but I feel very strongly that the district should supply the basics (copy paper, pencils, markers, glue sticks)."

Note on Teacher Salaries: We have examined teacher salaries and find salaries in Watertown to be comparable to other districts. The average salary in Watertown is above Arlington, Waltham and the state average, but below Belmont, Newton, and Lexington. While salaries and raises are a significant cost, competitive salaries are essential to attracting and retaining quality teachers. A decade ago Watertown had some of the highest teacher salaries in the state; however, that has changed. (Figure 16) While Watertown was once at the 93th percentile for teacher salaries across the state, it is now at the 76th percentile, which is probably appropriate given our geographical proximity to Boston and other

neighboring towns. (Figure 17) Nevertheless, if there are bad feelings or a desire to change the salaries, this should be done according to due process, without compromising the quality of WPS and our students' education.

Figure 16. Average Teacher Salary for Surrounding Towns 2008-2012

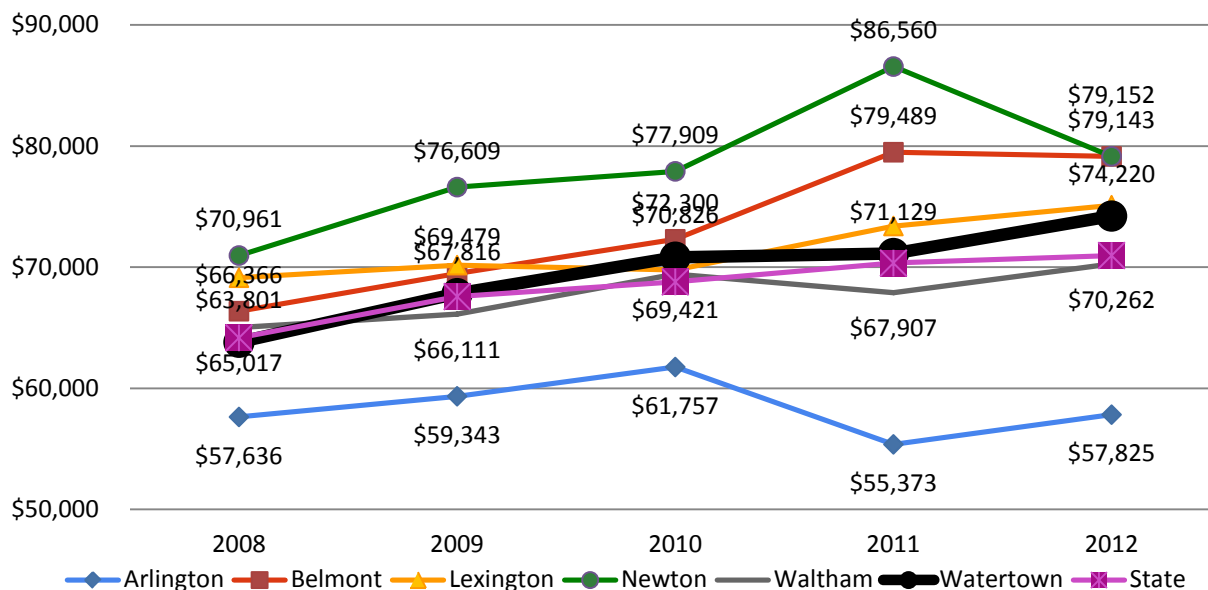
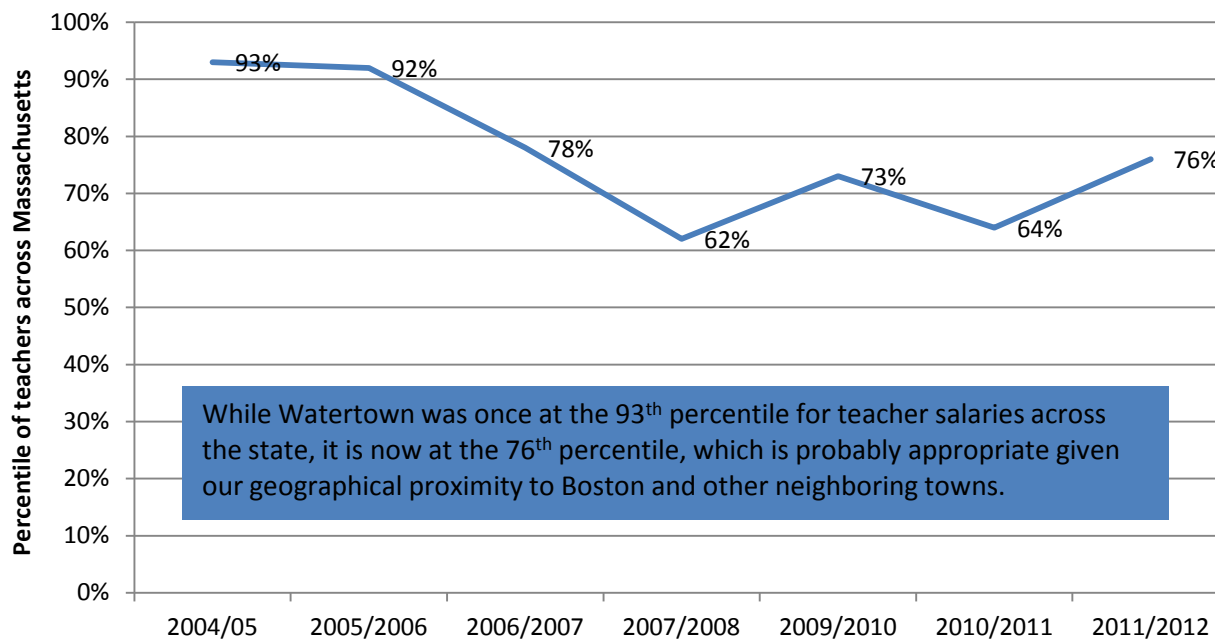


Figure 17. Average salary (percentile) for WPS teachers

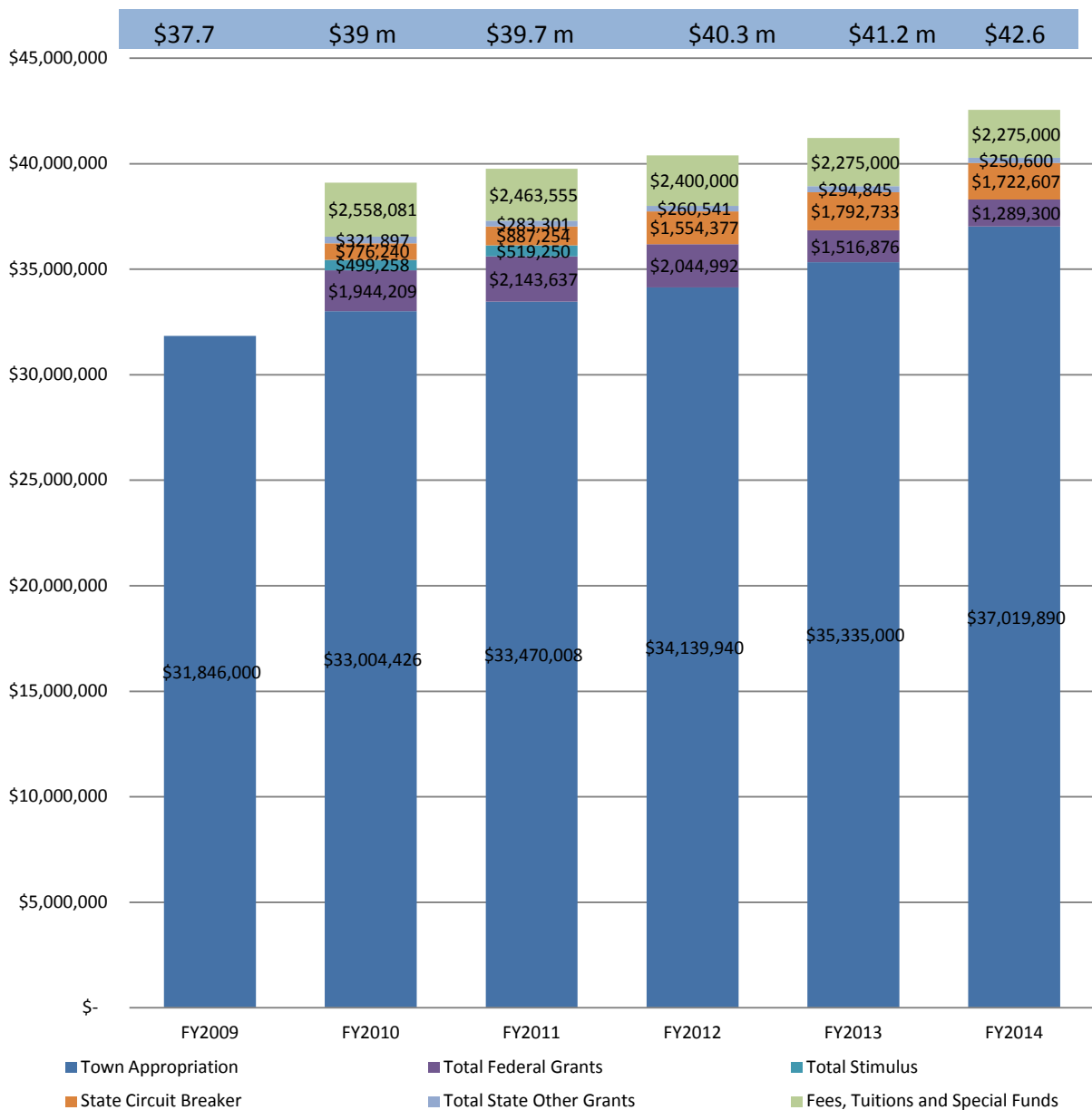


Insufficient funding at the Town, State, and Federal Level

Below, we examine WPS revenue and expenditures, and changes over time in Watertown and across other Massachusetts school districts.

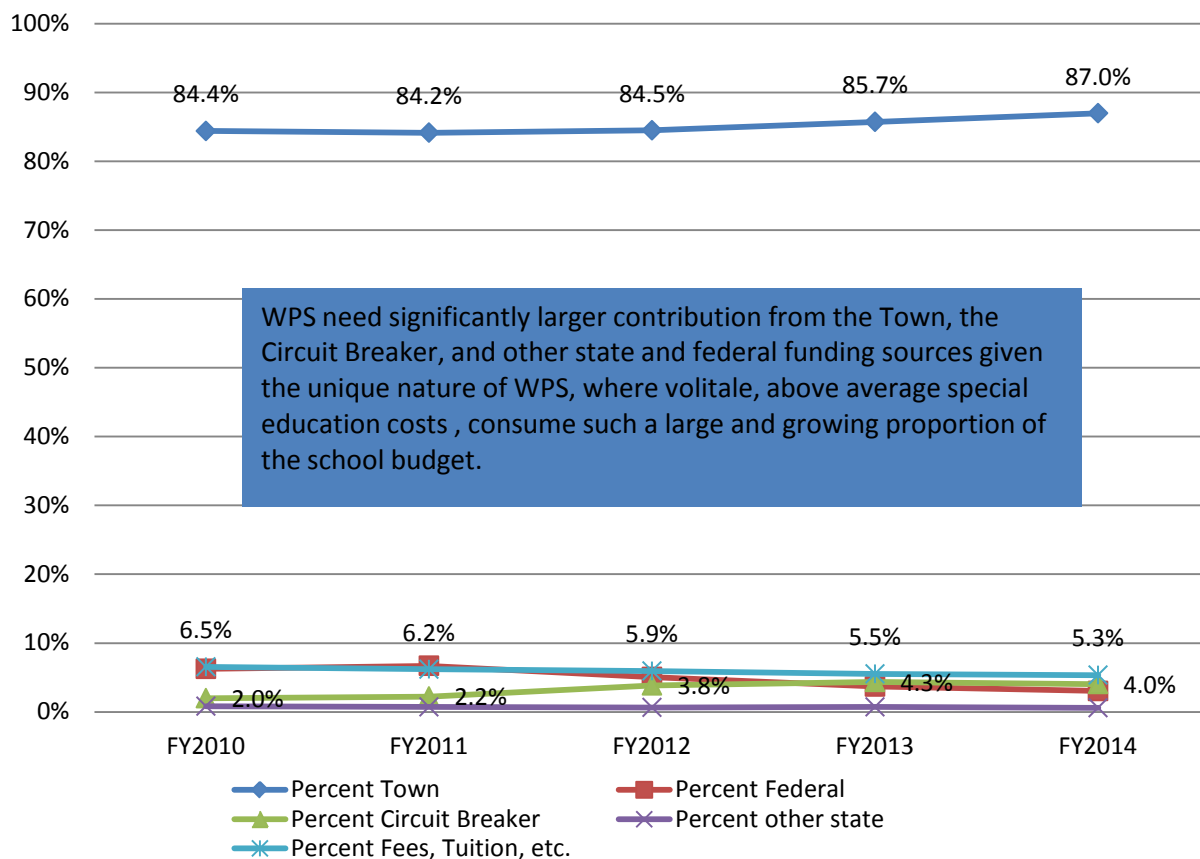
Existing revenue sources for Watertown Public Schools: The total revenue for WPS in 2014 was approximately \$42.6m (Figure 18), and includes town appropriations, fees, and state, federal and other grants. Most notably, town appropriations have grown as fees, federal, and “other” state grants have shrunk from 2010 and Circuit Breaker funding has fluctuated.

Figure 18. WPS Revenue, All sources



Town Appropriations¹²⁴: In 2014, 87% of the WPS budget (\$37m) originated from Town Appropriations. The percentage share of Town funding increased in 2014 from 84% of the WPS revenue in 2010, particularly as federal and state grants have declined. (Figure 19) While the town has “grown” the WPS budget at varying levels (1.4% – 4.77% since 2011), other revenue sources have diminished. As a result, the year-to-year growth in educational expenditures in the Town of Watertown illustrates that real money to WPS has decreased. (Figure 20)

Figure 19. Comparison of School, Town, State, and Federal contributions to WPS



The Town of Watertown allocated an average of **3.11%** from 2010 to 2014. Loss of Federal Grants, Stimulus, and a reduction in Other State Grants reduced the real percentage increase in funding to WPS. The true average increase from 2010 to 2014 is **2.41%**¹²⁵ despite increases in student enrollment and the increasing costs of special education. This represents a very small amount of money given the mandate of the public school system.

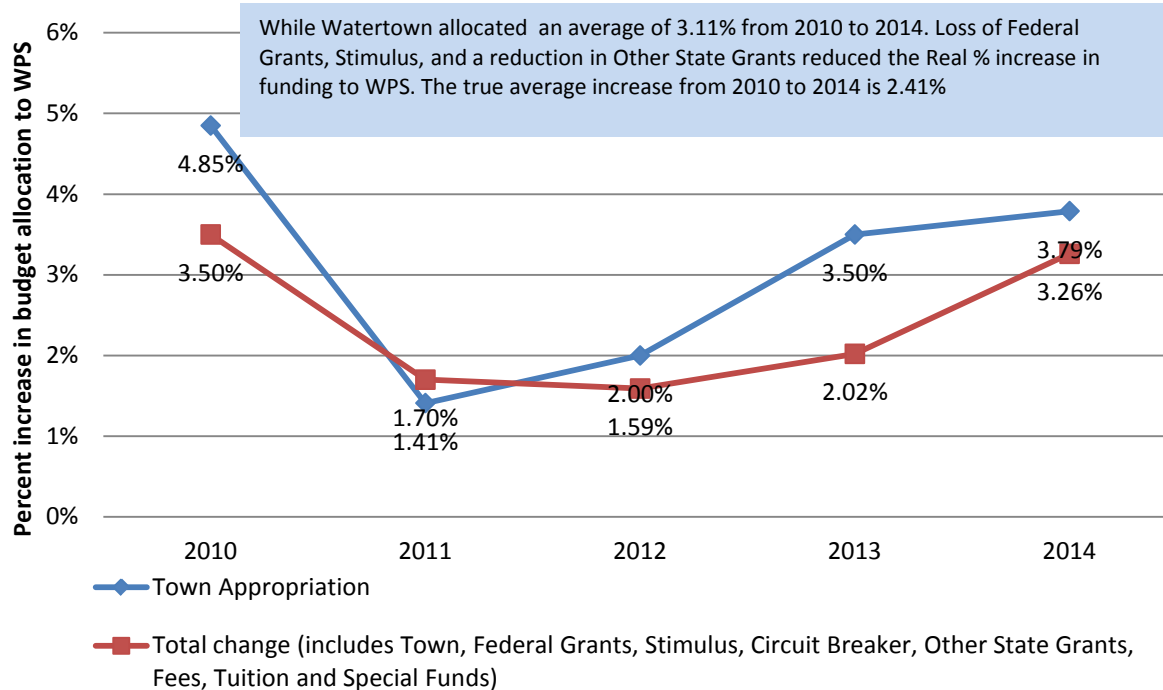
The underlying concern that must be stated is a perception among many Watertown residents that education has not been prioritized by town officials, while many town officials argue that education has been a priority. Regardless of perceptions, the reality is that WPS have not received the funding necessary to retain staff, purchase materials, and provide high quality education to students.

¹²⁴ When we talk about Town Appropriations, State aid from Chapter 70 and Unrestricted General Government Assistance is lumped into the Town Appropriation because this money is given directly to the Town. Circuit Breaker funding is a reimbursement to the WPS.

¹²⁵ To view expenditures categories and revenue sources:

<http://profiles.doe.mass.edu/profiles/finance.aspx?orgcode=00000000&orgtypecode=0&>

Figure 20. Percent Increases to Education Budget



The percentage of Town revenue allocated to education is below other “comparable towns”. In the majority of towns across Massachusetts and the country, the public school system is allocated the largest portion of the town or municipal budget. In 2012, Watertown was ranked 309 out of 338 Massachusetts towns for the percentage that the town allocates to education based on Department of Revenue data.¹²⁶ This means 86% of Massachusetts towns allocate a higher percentage of town revenue to education than Watertown. According to this data, in 2012, Watertown allocated 37% of the town budget to education while 65% of MA towns allocated over 50%. (*Figure x*). Admittedly, there are challenges when comparing town expenditures. For example, towns vary by demographic and economic characteristics as well as the size and characteristics of the student population.

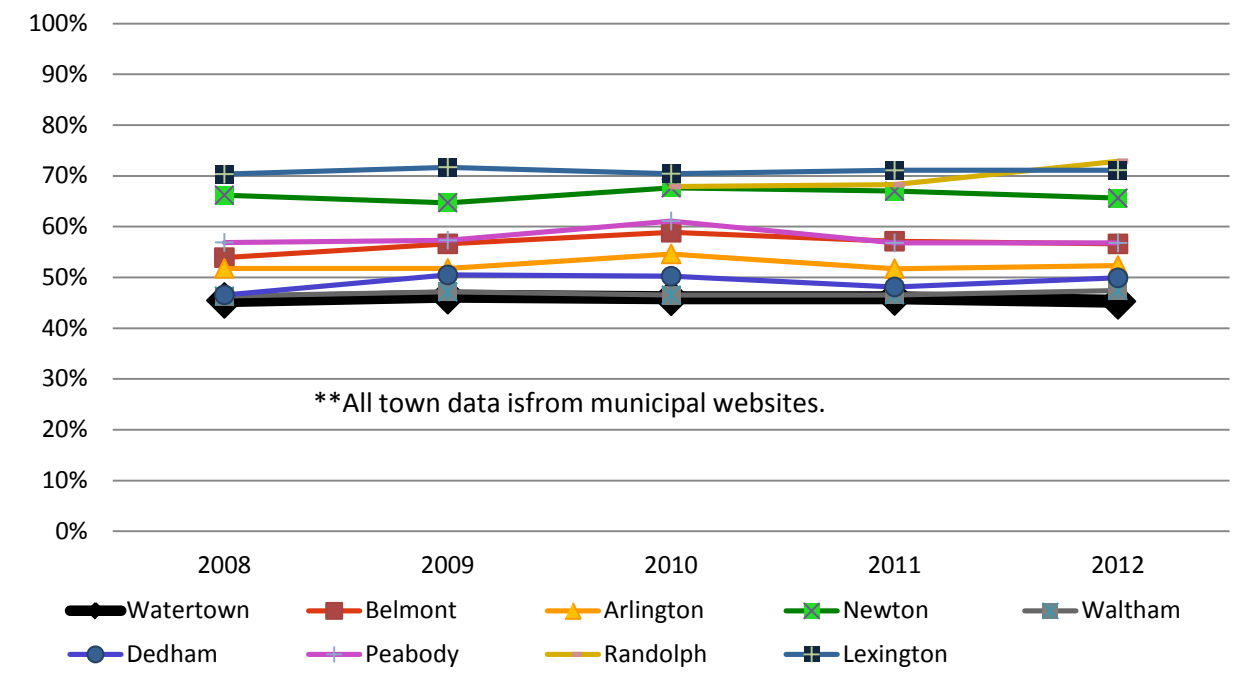
If you calculate total education spending as a percentage of Town revenue from the Department of Elementary and Secondary Education (which includes health insurance costs), Watertown spends 45% on schools, while Belmont spends 57%, Arlington 52%, Newton 66%, Dedham 50%, and Lexington 71%. Dedham is the most similar to WPS in terms of enrollment and the percentage of students with disabilities, however Dedham allocates five percentage points more town revenue to education than Watertown. Perhaps as a result, Dedham has a higher percentage of students scoring Advanced or Proficient on MCAS than Watertown, including 8 percentage points in ELA, 10 percentage points in Math, and 18 percentage points in Science for all students/all grades in 2013.

Compared to other towns, Watertown has a relatively small student population. However, Watertown has one of the most complex special education situations, with a large and growing number of special education and low income students. This higher-than-average-rate of students requiring additional services drives up costs. Districts with fewer special education and high needs students could allocate

¹²⁶ Department of Revenue data presented in snapshot of town spending on education.
http://www.boston.com/yourtown/specials/snapshot/massachusetts_snapshot_education_spending_2012/

fewer resources to education. Despite the differences between towns, Watertown allocates a lower percentage of town revenue to education than other towns. (Figure 21) Realtors confirm that this perception exists among new buyers. With the smaller percentage of town revenue, WPS must pay for additional teachers, materials, and staff to meet the needs of the complex student population.

Figure 21. Education Spending (DESE) as % of Town Revenues



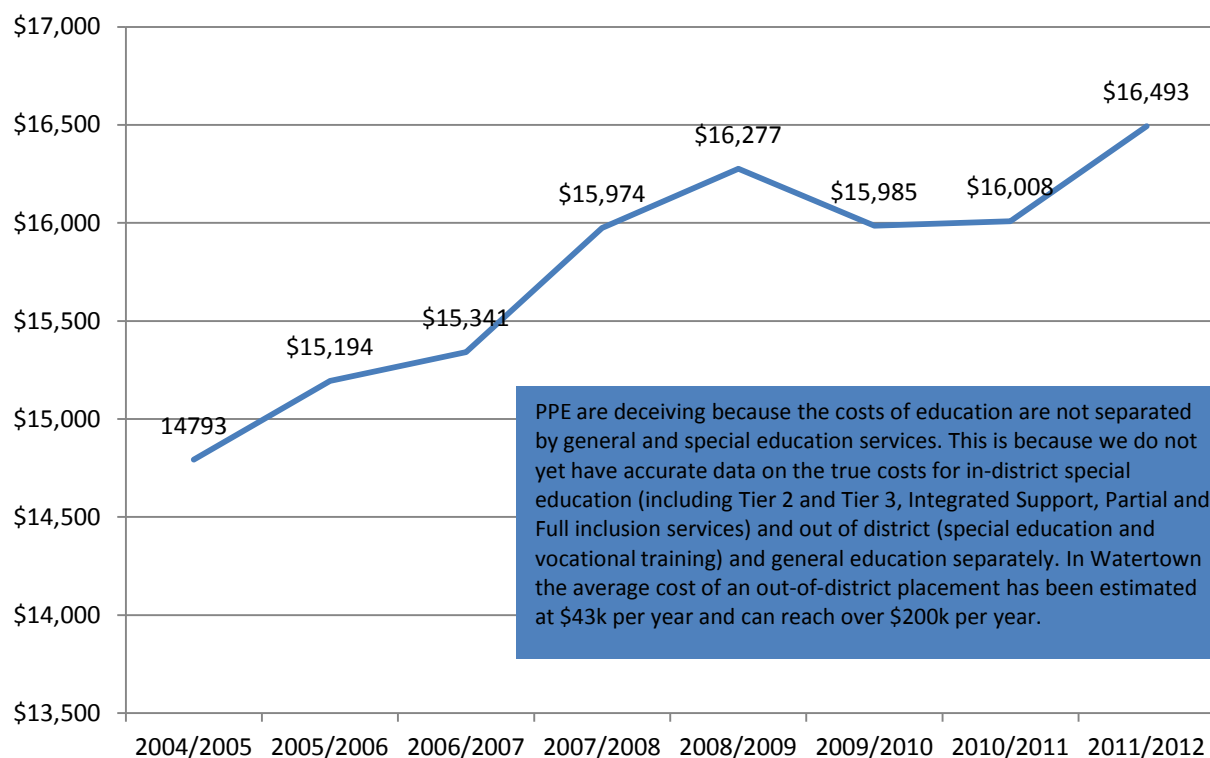
Per pupil expenditures (PPE) are also examined as an indicator of the priority a town places upon its' school system. However, PPE are deceiving because the costs of education are not separated by general and special education services. (Figure 22) This is because we do not yet have accurate data on the true costs for in-district special education (including Tier 2 and Tier 3, Integrated Support, Partial and Full inclusion services) and out of district (special education and vocational training) and general education separately. In Watertown the average cost of an out-of-district placement has been estimated at \$43k per year and can reach over \$200k per year. As this happens, the PPE on general education students decline far below the misleading, average value of \$16,008 (2013) per year that is reported.¹²⁷ Some 'back of the envelope' calculations suggest that actual spending is between ~\$10,000 to \$13,000 per general education student, however there is no accurate data that includes student numbers and costs by programmatic areas available to us at this time.

The PPE gives the appearance that WPS spend as much as neighboring or comparable towns across the board for all students, however this is misleading because WPS are in the 100th percentile for the proportion of expenditures allocated to special education. While we are ranked 274/304 in PPE and at the 82nd percentile for PPE (because our PPE are skewed by the high cost of out-of-district placements), our PPE expenditures for general education students would be nearer the range of 3rd-20th percentile across Massachusetts for spending on our general education students. The lower percentile ranking

¹²⁷ The Best Schools in Boston: Article with aggregate data is misleading. <http://www.bostonmagazine.com/boston-best-schools-2013/>

suggests that WPS spends less per general education students than the majority of other districts across Massachusetts.

Figure 22. Trends in Per Pupil Expenditures in WPS, 2004-2012

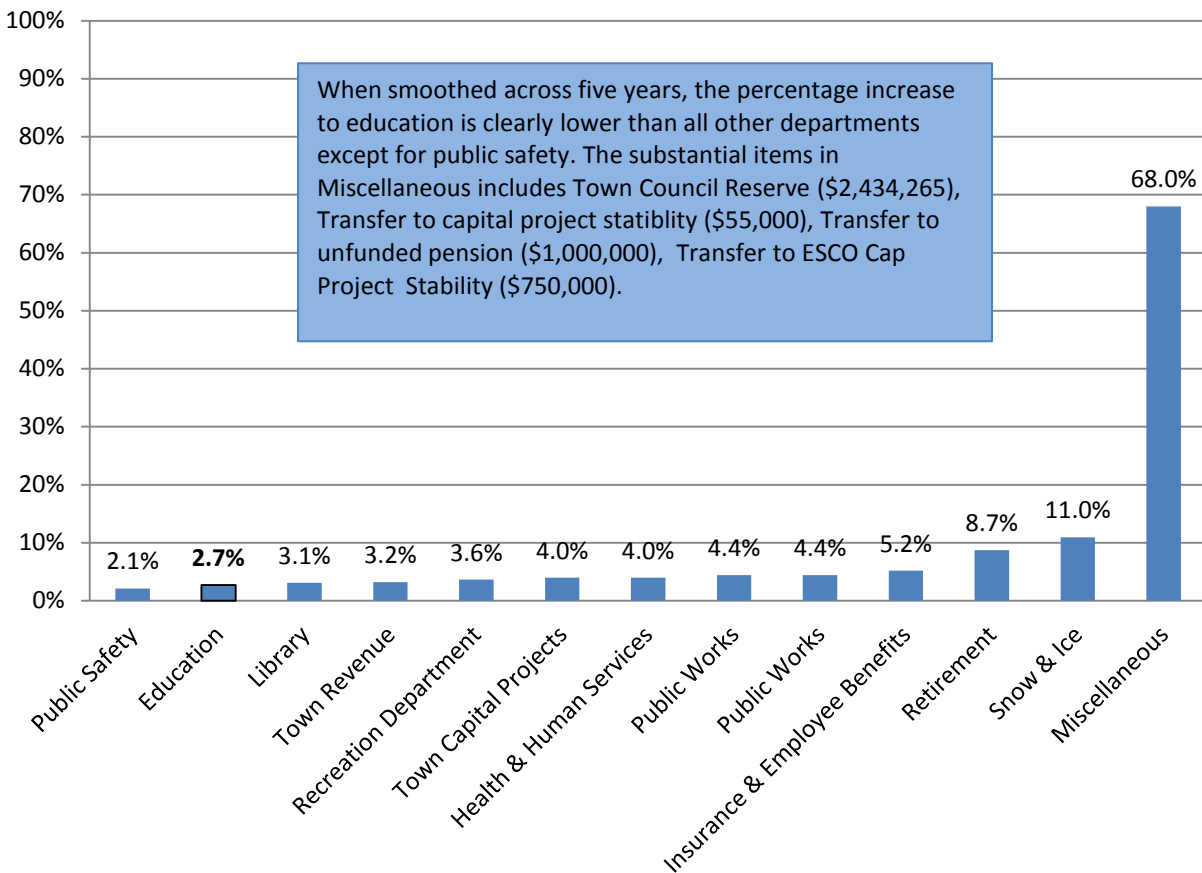


Contributions from town savings: We recognize that adhoc savings from other departments and increased efficiencies have been allocated to education over the years, including savings from attrition from police and fire positions during fiscal years 2010 and 2011 (\$940k); The Rebid trash contract with automated pickup/single stream recycling in 2013 (\$150k); and the reduction of about 30% in trash tonnage in FY14 (\$250k).¹²⁸ While appreciated, these one-time adhoc contributions were insufficient to enabled WPS to avoid decline. The complexity of the student population requires the Town of Watertown to allocate a higher percentage of revenues to WPS so that Watertown is in the range of other neighboring and comparable schools. The expectations of Watertown parents are evolving. Increasingly, Watertown parents have expectations for high quality schools that are more in line with our neighboring towns, rather than comparable towns that have higher percentages of low income and high needs students.

Further, when we look across departments, the town appropriations vary by the percent increase they are allocated each fiscal year. While each of these budgets ranges in size and education is the largest "bucket" of spending at 37%, other departments are seeing larger compound annual growth rates than WPS. When annual department increases are smoothed across five years, the reality is that eleven departments received higher increases than WPS, despite the evolving complex situation in public schools. (Figure 23)

¹²⁸ Conversations with Vincent Piccirilli and comments at the Meeting of the Education Sub Committee of the Town Council on March 5, 2015

Figure 23. Town of Watertown: Percent Increase Compound Annual Growth Rate (10-14) for Select Departments smoothed across 5 years (Watertown budget documents)



State Circuit Breaker Reimbursements: The circuit breaker is a state reimbursement to the school system “for high instructional costs incurred in the previous year for a student’s individual education plan.” Circuit breaker reimbursements are sent directly to the school system and are not part of the town appropriation. The reimbursement may cover the costs of in-district instruction in accordance with a student’s individual education plan or out-of-district placement tuition. Transportation costs are excluded.¹²⁹ “The formula for the grant is based on the instructional costs for each individual education plan. If a plan for a child costs over 4 times the state-wide average per-pupil foundation budget, the state will reimburse a percentage of the excess. Historically, that percentage has been 75%, but in FY10 and FY11, it was reduced to approximately 40% to reflect the availability of the stimulus funds.”¹³⁰

In 2014, the circuit breaker accounted for 4% of the WPS budget or \$1.7 million, which is up from 2% in 2010.¹³¹ Given the high proportion of special education children living in Watertown, our legislators must advocate for Watertown at the State level in order to obtain more resources for WPS. Table x shows the number of students claimed in 2013, the net claim from Watertown, and the amount of the reimbursement, \$2,107,433. (Table 2) This breaks down to \$23,416 per student, which is clearly much

¹²⁹ Learn more at [here](#) for the specific regulations governing reimbursements and [here](#) for the underlying statute.

¹³⁰ Learn more at Will Brownsberger’s site: <http://willbrownsberger.com/special-education-costs-and-the-circuit-breaker/>

¹³¹ To learn more about the Circuit Breaker and to see Circuit Breaker appropriations: <http://www.doe.mass.edu/finance/circuitbreaker/>

less than the \$43,000 average cost of out-of-district placements or the upper range of \$100,000 to \$200,000.

Table 2. Massachusetts Circuit Breaker Funding

FY13 CIRCUIT BREAKER STUDENT DETAILS						FY14 PAYMENT SCHEDULE			
Eligible Students Claimed	Total Eligible Expenses	Foundation	Net Claim	75% Reimb	Total Adjusted Reimb	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr
90	6,455,991	3,646,080	2,809,911	2,107,433	2,107,433	526,858	526,858	526,858	526,859

Fees (e.g. bus, athletics, preschool, lunch, etc.): In 2014, approximately 6% of the budget or \$2.275 million was collected from fees. Fees have steadily declined from 2010. Fees must be examined closely, particularly in ways that will not negatively affect low income families whose children will only be able to participate in preschool, afterschool, summer programs, and other activities unless the fees remain low.

Other State and Federal Grants: Represent 3.6% of 2014 budget or \$1.6 m, down from 7% in 2010. Federal grants to schools are on the decline and are unlikely to increase in the near future. We have to make up for these resources at the state and local levels.

Collaborative Efforts: We call for multiple collaborative efforts to find the resources to appropriate funds at the level requested for 2014/2015 to ensure WPS have the staff and materials needed to educate Watertown's children. This is in addition to the funds needed to carry on existing staff, operational and other costs in the 2013/2014 budget. Further, we call for collaborative efforts to reduce volatile costs with the WPS budget.

We call upon the School Committee, the Town Council, the Town of Watertown, and State Legislators to identify financial resources for WPS for the 2014/2015 year and additional sustainable funding sources from 2015/2016 onwards.

Collaborative Efforts: We call for multiple collaborative efforts to find the resources to appropriate funds at the level requested for 2014/2015 to ensure WPS have the staff and materials needed to educate Watertown's children avoid a further decline in the quality of our schools. This is in addition to the funds needed to carry on existing staff, operational and other costs in the 2013/2014 budget. Further, we call for collaborative efforts to manage volatile costs with the WPS budget.

Town of Watertown: We call upon the Town Council and Town Manager to examine the Fiscal Year 2015 to identify possible funding from the following sources:

- Savings from health insurance: The Massachusetts Group Insurance Commission (GIC) rates will only increase by 1%, rather than the budgeted 6%. This is a savings of \$700,000 (5% of \$14 million).¹³²
- The Unreserved Fund Balance (Utilization of Free Cash) is \$9 million. Approximately \$1.5-\$2m of this fund may be spent per year. This is the year that WPS need this line item.
- The Stabilization Fund within the Capital Improvement Projects¹³³ has \$500,000 that could be allocated to the schools with a 2/3 vote by the Town Council. Further capital improvement projects can be postponed until the schools have returned to a minimum standard.
- The 'Transfer from unfunded Pension Liability fund' should be drawn upon. For the first year in Fiscal Year 2014, \$250,000 was budgeted for in this account.
- The Town has wanted to pay down the pension fund, in 2019, rather than 2022 because it would be less expensive to pay down this debt more quickly. However, despite the fact that we want to pay less over the life of every loan, we do not think we can afford this prepayment the expense of 2,708 children in WPS. *(The metaphor that residents have used is that this is akin to paying down a home mortgage quickly, but then having so little money left that the family can only eat potatoes because the cost of reducing debt is so high (i.e. house poor/pension poor.)*
- This years' tax assessment overlay monies can be allocated to WPS. The Town Manager sets aside money each year to cover tax assessments appeals. If appeals are unsettled for a number of years, this money is reallocated. In a back-of-the-envelope calculation¹³⁴, it came out to the equivalent of more than 2% of the current school budget.

Watertown has built an excellent credit rating, with accumulated reserves and the accelerated pension contributions. The credit ratings are commendable, but we are buying these ratings on the backs of our children's education. **The opportunity cost of higher than necessary credit ratings is failed schools.** Our schools have lost teachers and staff, essential guidance services, curriculum choices, adequate time for instruction, and the resources to implement tiered learning

¹³² To learn more about GIC: <http://www.mass.gov/anf/employee-insurance-and-retirement-benefits/oversight-agencies/gic/>

¹³³ Town of Watertown, Capital Improvement Plan February 2014 <http://www.ci.watertown.ma.us/DocumentCenter/View/14390>

¹³⁴ This is a very preliminary back-of-the-envelope calculation done by Tom Tracey and Aaron Dushku

According to the 2013 Financial Management Review document¹³⁵

“Watertown has had success in generating free cash and building reserves for general and dedicated purposes. Since FY2000, certified free cash has averaged over \$4.8 million annually, and only once was it below \$3 million... The combination of sound business practices and accumulation of reserves has resulted in ratings of Aa3 from Moody’s and AA+ from Standard & Poor’s. Both rating agencies cite the community’s stable economic base, strong household income levels, good financial management policies, conservative budgeting practices, and manageable debt burden as positive factors. Watertown also has an accelerated pension contribution schedule that is projected to achieve full funding in FY2022, subject to future market performance, and the town has rapid debt amortization.”

In an analysis of the difference between a triple AAA versus the AA rating, the motivation for working towards a AAA bond rating is clear over the life of a loan; however it appears penny wise and pound foolish for Watertown to pursue an annual savings of \$4,044 while risking the entire public school system and the education of Watertown’s children. (Table 3)

Table 3. Municipal Bond Rating

Municipal bond ratings as of 3/16/14
¹³⁶(https://www.fmsbonds.com/Market_Yields/index.asp)

	AAA Rating	AA Rating
Amount	\$1,000,000.00	\$1,000,000.00
Coupon Rate	3.35%	4.00%
Term (years)	20	20
Monthly Cost	\$5,722.82	\$6,059.80
Interest paid	\$373,475.63	\$454,352.79
Total cost	\$1,373,475.63	\$1,454,352.79
Difference in interest paid	\$80,877.16	Per Million Borrowed
Monthly amount saved	\$336.99	Per Million Borrowed

Again, these ratings are commendable and the Town Manager and Town Council have clearly demonstrated their attention to a creating a stellar credit rating, however it cannot be at the expense of educating Watertown children.

Longer term revenue gains at the Town level for fiscal year 2016 and beyond

New Development Growth: Town revenue must be increased through new development growth¹³⁷ including the redevelopment of former industrial land. In that vein, the Town Council adopted an Economic Development plan¹³⁸, which in FY15, may include \$2 million in new growth from projects along the Pleasant Street Corridor. Additional projects are planned along Arsenal Street and Pleasant Street which the Town expects will yield more revenue in coming years. These projects must be watched

¹³⁵ Town of Watertown, Financial Management Review August 2013 <http://www.ci.watertown.ma.us/documentcenter/view/13387>

¹³⁶ Analysis provide by Mike Shepard, School Committee member and Chair Budget and Finance

¹³⁷ As suggested by Town Councilor Vincent Piccirilli

¹³⁸ Economic Development Plan and Community Development Plans and studies: <http://www.ci.watertown.ma.us/index.aspx?nid=85>

closely to ensure that we measure the tax rates collected, particularly residential and commercial tax rates, as well as to measure demographic changes. For instance, town officials have said that the 1 and 2 bedroom apartments will not substantially increase the number of children entering WPS; however we know that lower income and immigrant families—whom are attracted to the affordability of Watertown—are likely to have children and many families will have multiple school aged children.

Reallocate resources in town budget: Recognizing the limited resources available at the Town level, the rules regarding paying down the Pension fund and Capital Improvement Projects (CIP) must be revisited. For example, we want to renegotiate "the rules" that allow Watertown to place such a high priority on reducing debt every year and investing such a large portion of the town revenue on Capital Improvement projects that may not be necessary. If this is necessary for the town, the town must provide clear and accessible data so that residents can understand the data behind the decision.

Over the past few years, while there is wide agreement that several of Watertown's buildings and infrastructure needed to be replaced or renovated, it is unclear that such large investments were necessary (e.g. DPW building, the new police station, and Victory Field turf). Many residents feel that these investments were "over the top" when the school system is in such a dire situation, with bulging classes, insufficient general and special education infrastructure, and inadequate materials, where schools actually run out of paper. Moving forward, with smaller capital improvement investments, gradually, we can pay back less interest and loan payments, and free up more resources for school appropriations.

Local Option Taxes: The Town Council adopted local option taxes in 2009. These taxes can generate important revenue, although other positive and negative impacts must also be considered. For example:

- The Meals tax generates about \$500K in 2014.
- The Town Council is seeking additional liquor licenses to attract more restaurants.
- A 150 room hotel could bring in \$350K-\$450K in room tax.

The Residential Operating Override Tax and other Taxes: Proposition 2½, was enacted in 1982 by the Massachusetts legislature and led by the anti-tax group "Citizens for Limited Taxation". It limits the amount of taxes that may be levied by individual towns and school districts across the state. The problem with Proposition 2½ is that municipality income declines in real terms when inflation rises above 2.5%, which has been the case for the majority of years since the measure was approved, resulting in a real decline in local tax rates and local spending ability.

"An exception allows the citizens of each municipality to override the 2½ restriction to address specific needs of the community thus giving the citizens direct control over their taxation."¹³⁹

Watertown residents must understand the parameters of a **Prop 2.5% override that would enable the town to** increase the operating budget. We must at least understand this approach given the dire situation in WPS, as well as the fact that the research shows that towns that are not bound to remain within the 2.5% tax increase have higher quality schools and better real estate value.¹⁴⁰ Education increases real estate values, which leads to economic development and more money to invest in public schools.¹⁴¹

¹³⁹ See http://en.wikipedia.org/wiki/Proposition_2%C2%BD (Also add doc that I have)

¹⁴⁰ Bradbury, K. L., Case, K. E. & Mayer, C. J. (1998, July/August). School Quality and Massachusetts Enrollment Shifts in the Context of Tax Limitations. *New England Economic Review*, Federal Reserve Bank of Boston, 3-20.

¹⁴¹ Black, S. E. (1998, March). Measuring the Value of Better Schools. *Economic Policy Review*, 4(1), 87-94.

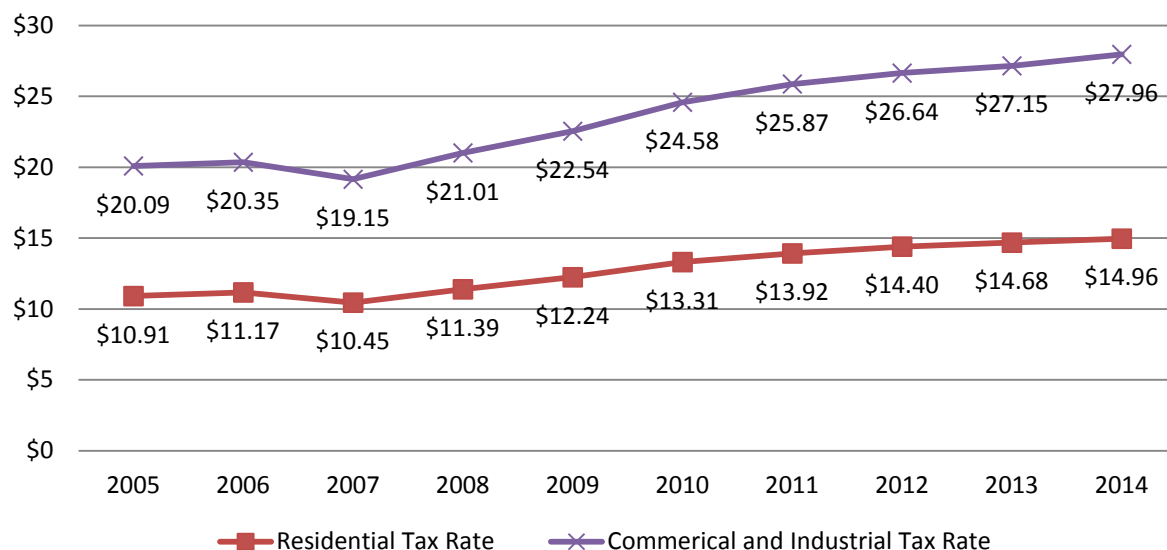
In a study of the impact of Prop 2½, it was documented that since Proposition 2½ was enacted, school quality has been a significant factor driving relocation of Massachusetts residents. The authors find that “demand for real estate has increased in those districts not constrained by the tax limits.”¹⁴² Moreover, there is a greater willingness to pay for increased school expenditures “in highly populated areas where less land is available and thus property values are more sensitive to determinants such as school quality.” In another study that used data from all 50 states, the authors examined the willingness of residents to support increased school expenditures. They found that “school spending is highly supported by elderly homeowners” possibly because elderly citizens recognize the value of good schools to the future buyers of their homes”.¹⁴³

The Town would prefer to request a one-time debt exclusion in order to replace the schools aged and inadequate buildings, rather than ask for an override for operating costs. We would generally support this plan, as long as adequate funding is found and appropriated to WPS in 2015.

Nevertheless, in order to inform the conversation around residential taxes, Figures 24 and 25 show Watertown tax rates from 2005 through 2014. The rate has risen slowly over the last few years (\$0.48 per \$1000 in 2012, \$0.28 per \$1000 in 2013, and \$0.28 per \$1000 in 2014).

While Watertown's residential tax rate is higher than Arlington, Belmont, Newton and Waltham, Watertown does have a residential exemption, which reduces the tax rate for owner occupied homeowners, making a strict comparison difficult. However, the perception, among realtors, new buyers, and some homeowners, is that Watertown home owners pay more tax, but the Town of Watertown invests less of the budget in WPS than neighbors.

Figure 24. Watertown Tax Rates 2005-2014 per \$1000 assessed value¹⁴⁴

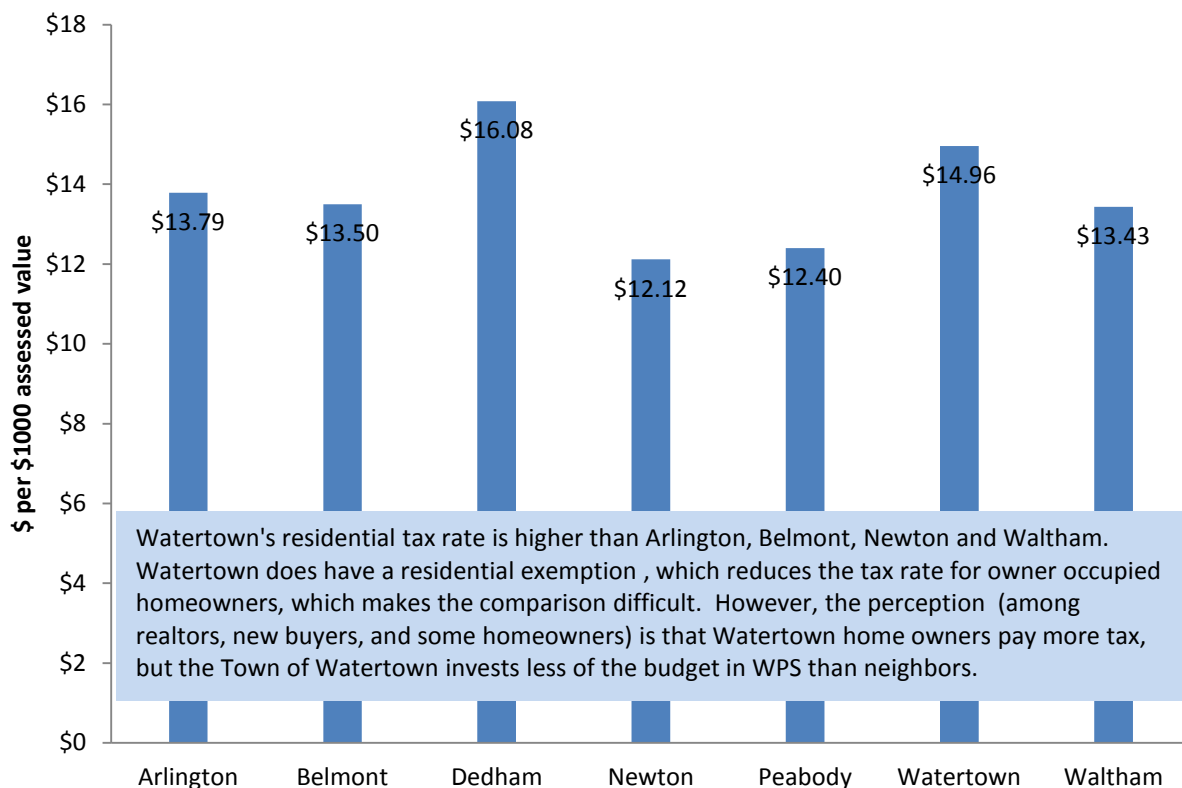


¹⁴² Bradbury, K.L., Case, K. E. and Mayer, C.J. (1998) “School Quality and Massachusetts Enrollment Shifts in the Context of Tax Limitations,” *New England Economic Review* (1998).

¹⁴³ Federal Reserve Bank of Philadelphia In (2002). “Why Do Households Without Children Support Local Public Schools?,” Working paper (2002)

¹⁴⁴ For more information: <http://www.ci.watertown.ma.us/index.aspx?nid=61>

Figure 25. Residential Tax Rate by Town, 2014



Other Taxes and Fees:

Excise Tax: Watertown can consider an excise tax, similar to the approach considered in Brookline, where residents leaving the town are taxed. This tax is deposited into a revolving School Committee / WPS fund and this would not be a part of the fiscal year debates on which departments to fund at different levels (e.g. 3% for WPS versus another percentage for other departments)

Optional line tax: We should pursue an optional line on the bottom of the tax bills that allow residents to contribute to one of several revolving town education funds (depending upon on the mechanisms we establish). Again, these funds would sit outside of the annual appropriation negotiations and be accessible for the School Committee when needed. We could further pursue a matching gift program whereby when taxpayers contribute a certain amount, the town matches it from one of the 'unsustainable' pots of money each year. This could also be part of a mechanism for private partners to pay into the school system.

Tax assessment overlays: Again, the town can allocate periodic 'tax assessment overlay' monies to WPS. Admittedly, the town needs a portion of this money in the event of an unforeseen situation. However, the remaining portion returns to the town as unallocated money. While we cannot count on this money every year, it could be periodically dropped into a stabilization fund or other revolving education fund.

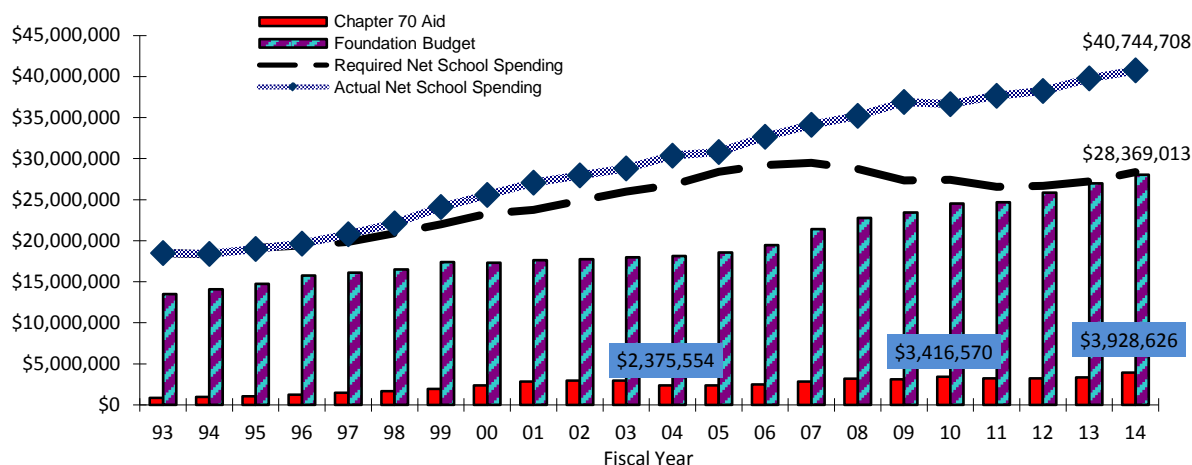
Other taxes and fees: Further, we should consider a range of fee or tax increases across Watertown such as: More aggressive pursuit of Payments in Lieu of Taxes (PILOTs) for example, from the Perkins

School; Increases in parking meter rates; parking fines; commercial parking rates; institute fee for temporary on-street permits (e.g., contractors); library fines; Real Estate Transfer tax (0.1% or 0.2%)¹⁴⁵; Recreation Department Fees (depends on program); Additional Library and Cemetery Fund contributions; and Cemetery rates,.

State of Massachusetts: For the 2014/2015 budget year and thereafter, we call upon our State Legislators to help identify additional funding sources and ensure larger contributions for Watertown from the following:

Chapter 70 funding in 2014 was \$3,928,626 for Watertown. Chapter 70 funds and local aid from the State of Massachusetts is allocated through the Cherry Sheets and given directly to the town, not the WPS¹⁴⁶. Watertown spends more than the required net school spending to receive this funding and yet town officials should prioritize this funding for WPS (Figure 26, Table 4). Recognizing that our total state aid is \$2,500,000 less today than it was in FY08 and that the Chapter 70 formula is outdated and “broken”, we ask legislators to continue to identify sources within the Cherry Sheets (including Chapter 70 and Unreserved Government Grants) and push for the full allocation to Watertown. If Chapter 70 was fully funded by the state this year we would have received an additional \$1,600,000. The Special Education Circuit-Breaker reimbursement formula is not keeping pace with the mandates from the 2005 Individuals with Disabilities Education Act (IDEA) legislation.

Figure 26. Chapter 70 funding for Watertown 1993-2014



According to the FY15 Joint Local Aid Resolution state aid to Watertown could increase as follows, if voted by the State House and Senate, and signed by the Governor:

- 10.3% increase in Chapter 70 funding to Watertown from \$3,928,626 to \$4,334,781
- 2.8% increase in General Government funding from \$5,775,246 to \$5,935,404
- The result is a 5.8% increase in total funding from \$ 9,703,872 to 10,270,185 representing a raw change of only \$566,313¹⁴⁷

¹⁴⁵ Residents leaving the town are taxed. This tax is deposited into a revolving School Committee / WPS fund and this would not be a part of the fiscal year debates on which departments to fund at different levels.

¹⁴⁶ For the Cherry Sheet Manual and other documents: <http://www.mass.gov/dor/local-officials/municipal-data-and-financial-management/cherry-sheets/>

¹⁴⁷ FY15 Major Local Aid Programs <http://willbrownsberger.com/governor-proposes-local-aid-numbers-fy15-budget/>

We ask legislators to continue to work diligently for larger contributions to Watertown from Chapter 70 and Circuit breaker funding, and to push for local aid packages that are better aligned to the realities of the 21st century, including Watertown's unique demographic situation and economic situation.

Table 4. Chapter 70 funding details.

3/15/2014

profile14feb.xls

Massachusetts Department of Elementary and Secondary Education

Chapter 70 Trends

314 WATERTOWN

	Foundation Enrollment	Pct Chg	Foundation Budget	Pct Chg	Required Local Contribution	Chapter 70 Aid	Pct Chg	Required Net School Spending (NSS)	Pct Chg	Actual Net School Spending	Pct Chg	Dollars Over/Under Requirement	Percent Over/Under
FY05	2,483	-1.7	18,544,185	2.2	26,039,154	2,375,554	0.0	28,414,708	6.0	30,794,845	1.5	2,380,137	8.4
FY06	2,491	0.3	19,464,616	5.0	26,696,820	2,500,104	5.2	29,196,924	2.8	32,652,569	6.0	3,455,645	11.8
FY07	2,527	1.4	21,408,023	10.0	26,660,901	2,840,200	13.6	29,501,101	1.0	34,110,371	4.5	4,609,270	15.6
FY08	2,548	0.8	22,755,172	6.3	25,584,736	3,182,787	12.1	28,767,523	-2.5	35,199,210	3.2	6,431,687	22.4
FY09	2,534	-0.5	23,442,918	3.0	24,228,635	3,119,662	-2.0	27,348,297	-4.9	36,892,163	4.8	9,543,866	34.9
FY10	2,558	0.9	24,506,187	4.5	24,010,035	3,416,570	9.5	27,426,605	0.3	36,623,269	-0.7	9,196,664	33.5
FY11	2,586	1.1	24,666,914	0.7	23,332,261	3,216,974	-5.8	26,549,235	-3.2	37,640,175	2.8	11,090,940	41.8
FY12	2,650	2.5	25,827,066	4.7	23,433,118	3,234,244	0.5	26,667,362	0.4	38,230,814	1.6	11,563,452	43.4
FY13	2,682	1.2	26,990,164	4.5	23,875,646	3,341,524	3.3	27,217,170	2.1	39,766,539	4.0	12,549,369	46.1
FY14	2,729	1.8	28,042,729	3.9	24,440,387	3,928,626	17.6	28,369,013	4.2	40,744,708 *	2.5	12,375,695	43.6

	Dollars Per Foundation Enrollment			Percentage of Foundation			Chapter 70 Percent of Actual NSS
	Foundation Budget	Ch 70 Aid	Actual NSS	Ch 70	Required NSS	Actual NSS	
FY05	7,468	957	12,402	12.8	153.2	166.1	7.7
FY06	7,814	1,004	13,108	12.8	150.0	167.8	7.7
FY07	8,472	1,124	13,498	13.3	137.8	159.3	8.3
FY08	8,931	1,249	13,814	14.0	126.4	154.7	9.0
FY09	9,251	1,231	14,559	13.3	116.7	157.4	8.5
FY10	9,580	1,336	14,317	13.9	111.9	149.4	9.3
FY11	9,539	1,244	14,555	13.0	107.6	152.6	8.5
FY12	9,746	1,220	14,427	12.5	103.3	148.0	8.5
FY13	10,063	1,246	14,827	12.4	100.8	147.3	8.4
FY14	10,276	1,440	14,930	14.0	101.2	145.3	9.6

* Budgeted

To see earlier years back to FY93, unhide rows 10 to 21 and 35 to 46.

Foundation enrollment is reported in October of the prior fiscal year (e.g. FY14 enrollment = Oct 1, 2012 headcount).

Foundation budget is the state's estimate of the minimum amount needed in each district to provide an adequate educational program.

Required Net School Spending is the annual minimum that must be spent on schools, including carryovers from prior years.

Net School Spending includes municipal indirect spending for schools but excludes capital expenditures, transportation, grants and revolving funds.

Federal SFSF grants in FY09, FY10 and FY11, and federal Education Jobs grants in FY11 are not included in these calculations. Net school spending is limited to Chapter 70 aid and appropriated local contributions. However, the SFSF and Education Jobs calculations were directly based upon the Chapter 70 formula and helped districts spend at foundation budget levels.

In FY09, this district received an SFSF grant of	\$366,634
In FY10, this district's SFSF grant entitlement was	\$0
In FY11, the combined SFSF and Educ Jobs entitlement was	\$264,246

We recognize that the Town Council is working with Representatives Hecht and Lawn and Senator Brownsberger on Chapter 70^{148, 149} and Special Education funding and that Watertown residents and parents should lobby and advocate for the Governor and House and Senate leaders to fix this broken system. For Watertown, this means an increasing number of children from low income families, with special education and social and emotional needs, as well as volatile and run-away costs for special needs services. We ask legislators and Town to search for, identify, and utilize addition sources of

¹⁴⁸ To view Chapter 70 legislation, regulations, district profiles, and funding trends: <http://www.doe.mass.edu/finance/chapter70/>

¹⁴⁹ To read about Will Brownsberger's efforts and explanation: <http://willbrownsberger.com/forums/topic/local-aid-in-the-governors-budget/>

funding, such as the Pothole Funds.¹⁵⁰ “The pothole program is intended to provide supplemental financial assistance to cities, towns, and school districts to address a variety of special circumstances. Municipalities and districts may apply for these funds.” While these are crisis funds, rather than planning funds, we must take advantage of all possible funding sources.

Public / Private Partnerships: Watertown Businesses, the Town of Watertown

For the 2014/2015 budget year and thereafter, we call upon our Town Councilors, Town Manager and Business owners to identify mutually beneficial public private partnerships with creative ways to help finance WPS schools at the level needed to offer quality education. These investments will benefit businesses, the Town of Watertown, and most importantly the 2,708 WPS students. According to the Watertown Town website:

“Watertown has a growing presence in the areas of information, design and engineering, and science and technology and continues to be strong in specialty building trades. With many start-up companies, the town has over 1,000 businesses that employ approximately 20,000 people. In 2006, \$137 million in venture capital was invested in Watertown (Grow Think Research). Over the last ten years, businesses in Watertown have been granted 294 patents ranging from infrared thermometers to biomolecule crystallization (U.S. Patent & Trademark Office).”¹⁵¹

The largest private companies in Town include:

- Tufts Associated Health Plans
- Athenahealth, Inc
- Bright Horizons Family Solutions
- JC Cannistraro
- Vanasse Hangen Brustlin, Inc.
- Sasaki Associates, Inc.
- Communispace Corp
- Harvard Business School Publishing
- New England Research Institutes, Inc.
- Doble Engineering

Manage and when possible, reduce volatile costs within the WPS, particularly the special education service providers:

For the 2014/2015 budget year and thereafter, WPS, the Town of Watertown, and state legislators must work together diligently, to reduce better manage and when possible reduce the volatile costs that increase at unsustainable levels and undermine the overall WPS budget and WPS mission to provide a quality education to all students. We must closely examine and work to reduce the following costs as well as identify other state or federal sources that can share or cover costs. Further, we can reduce the costs of out-of-district placements by:

- Partnering with other towns to offer lower cost, but high quality services that neither town can afford on their own or that can be better with partners
- Further developing partnerships similar to the EDCO and Case Collaboratives

¹⁵⁰ To apply for Pothole funds:

[http://search.doe.mass.edu/search.aspx?q=Legislature+has+approved+funding+for+the+FY14+foundation+reserve+%28%22pothole%22%29+program+\[7061-0011\]](http://search.doe.mass.edu/search.aspx?q=Legislature+has+approved+funding+for+the+FY14+foundation+reserve+%28%22pothole%22%29+program+[7061-0011])

¹⁵¹ Town of Watertown: <http://www.ci.watertown.ma.us/index.aspx?nid=599>

- Negotiating to the fullest extent possible with Perkins, Mermark and other service providers to reduce costs. Particularly, given the fact that The Perkins School does not pay taxes to Watertown, there must be cost reductions in the charges paid by Watertown to the Perkins School.
- Reduce transportation costs through various measures, such as negotiating as a collaborative with transportation providers; ask local legislators, businesses, and others to help negotiate. If necessary, seek consulting services to identify strategies to negotiate more successfully with providers
- Bring issue of the monopoly on transportation services to the state legislature to legislate cost controls on transportation services. Also bring issue of the monopoly on transportation services to the Chamber of Commerce or attract new transportation businesses.

Strong schools and strong town support for schools are both essential to economic development and the right thing to do for Watertown children and families.

“Schools are one of the best possible economic investments our community can make. Public education provides economic benefits to everyone in the community, not just students.”

Public schools positively impact economic development.¹⁵² The literature is clear and strong on the importance of strong public schools as a driver of economic development in cities and towns. In fact, there is “Strong research detailing the impact of education on national economic growth and competitiveness.” We know that investing to build students’ skills and abilities through public schools, leads to better jobs and higher wages later in life as well as reduced unemployment.¹⁵³

Watertown needs strong public schools to attract new high quality businesses. In “Public Schools and Economic Development” Dr. Jonathon Weiss critically reviews the research and presents compelling research on the links between public schools and state and local economic growth. High quality public schools make towns more economically competitive.^{154,155} As residents of Massachusetts, located outside of Boston, we can see the economic development generated by Boston’s institutions of higher education, strong financial sector, world renowned hospitals and technology companies. In the suburbs of Boston, Watertown benefits from Boston’s reputation. However, Watertown competes for new businesses and new residents with many other towns that have better reputations for their public schools. Watertown wants to attract more businesses for many reasons, one of which is to build our tax base. We need strong public schools to attract new business.

In fact, in “*Selling Cities: Attracting Homebuyers through Schools and Housing Programs*” the authors describe how municipal governments intentionally increase school spending and develop innovative educational programs specifically to attract more higher-value residential development.¹⁵⁶

Local and State investments in education increase real estate values. Watertown needs stronger public schools to increase real estate values and generate more revenue that can be invested in WPS. A study of Massachusetts schools and home prices found that “a \$500 increase in per-pupil expenditures increases average home prices by 2.2%.”¹⁵⁷ In fact, the impact of making greater investments in schools can measure into the \$1000s with documented increases in home values as much as 14%.^{158, 159} The

¹⁵² Weiss, Jonathan, D. (2004) Public Schools and Economic Development: What the Research Shows. Knowledge Works Foundation

By Jonathan D. Weiss. Dr. Gerald Gordon, CEO, Economic Development Authority, Public Schools and Economic Development [Dr. Gordon](#)

¹⁵³ World Education Indicators Programme. (2002). *Financing Education – Investments and Returns*. UNESCO Institute for Statistics, Organisation for Economic Co-operation and Development, World Education Indicators Programme.

¹⁵⁴ National Education Association. (2003). *School, Funding, Taxes, and Job Growth* (pre-publication draft).

¹⁵⁵ Gottlieb, P. D. & Fogarty, P. D. (1999). *Educational Attainment and Metropolitan Growth*. Cleveland: Center for Regional Economic Issues, Weatherhead School of Management, Case Western Reserve University.

¹⁵⁶ Varady, D. P. & Raffel, J. A. (1995). *Selling Cities: Attracting Homebuyers Through Schools and Housing Programs*. State University of New York Press.

¹⁵⁷ Black, S. (1999) “Do Better Schools Matter? Parental Valuation of Elementary Education” in *The Quarterly Journal of Economics*.

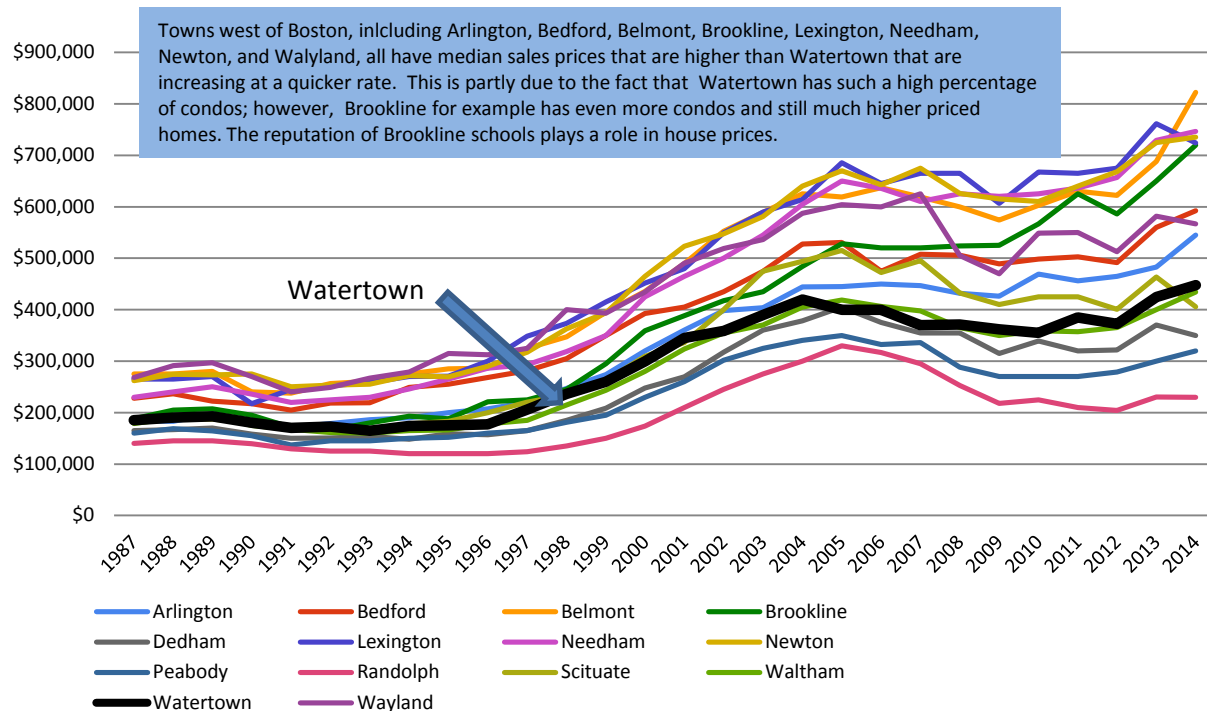
¹⁵⁸ Figlio, D. N. & Lucas, M. E. (2000). *What’s in a Grade: School Report Cards and House Prices*. National Bureau of Economic Research Working Paper.

¹⁵⁹ Bogart, W. T. & Cromwell, B. A. (1997). How Much More is a Good School District Worth? *National Tax Journal*,

strong and compelling research on public schools and real estate values confirms the critical importance of investing in public schools. It is clear that “homes in high-performing school districts sell for more than homes in low-performing school districts.”¹⁶⁰ Further, school spending drives significant increases in real estate values.¹⁶¹ Buyers rank the quality of public schools as one of the most important factors¹⁶² in deciding where to live.

Average real estate prices vary tremendously between Watertown and surrounding towns, as well as the rates of growth in average home prices. (Figure 26)

Figure 27. Median Sales Price (All Housing) by Select Town, 1987-2014



As we examine, Watertown’s median home prices, single family home prices, and distribution of single family, condo and other housing, we can get a deeper understanding of Watertown. First, towns west of Boston, including Arlington, Bedford, Belmont, Brookline, Lexington, Needham, Newton, and Wayland, all have median sales prices that are higher than Watertown and that are increasing at a quicker rate. This is partly due to the fact that Watertown has such a high percentage of condos. (Figure 28.) However, Brookline for example has even more condos and still much higher priced homes. The reputation of Brookline schools plays an important role in condo and single family house prices. Single family home prices are lower in Watertown than nearly all surrounding neighbors. The rate of growth in Watertown prices has been slower than surrounding towns. (Figure 29)

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¹⁶⁰ Kane, Staiger and Samms 2003, Barrow and Rouse 2002, Hilber and Mayer 2002, Downes and Zabel 2002, Figlio and Lucas 2001, Bogart and Cromwell 2000, Clark and Herrin 2000, Black 1999, Brasington 1999, Hayes and Taylor 1996

¹⁶¹ Barrow, L. & Rouse, C. E. (2002). *Using Market Valuation to Assess Public School Spending*. National Bureau of Economic Research Working Paper.

¹⁶² National Association of Realtors, *Meeting the Challenge of Growth: A Blueprint for Realtors Action and Smart Growth* (2002)

Figure 28. % Share of Housing Sales by Type for Select Towns, 2013

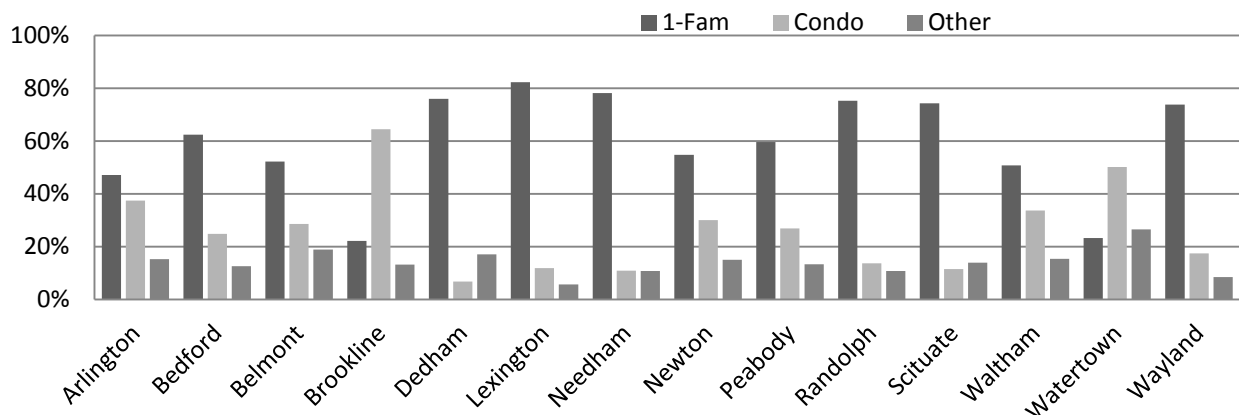
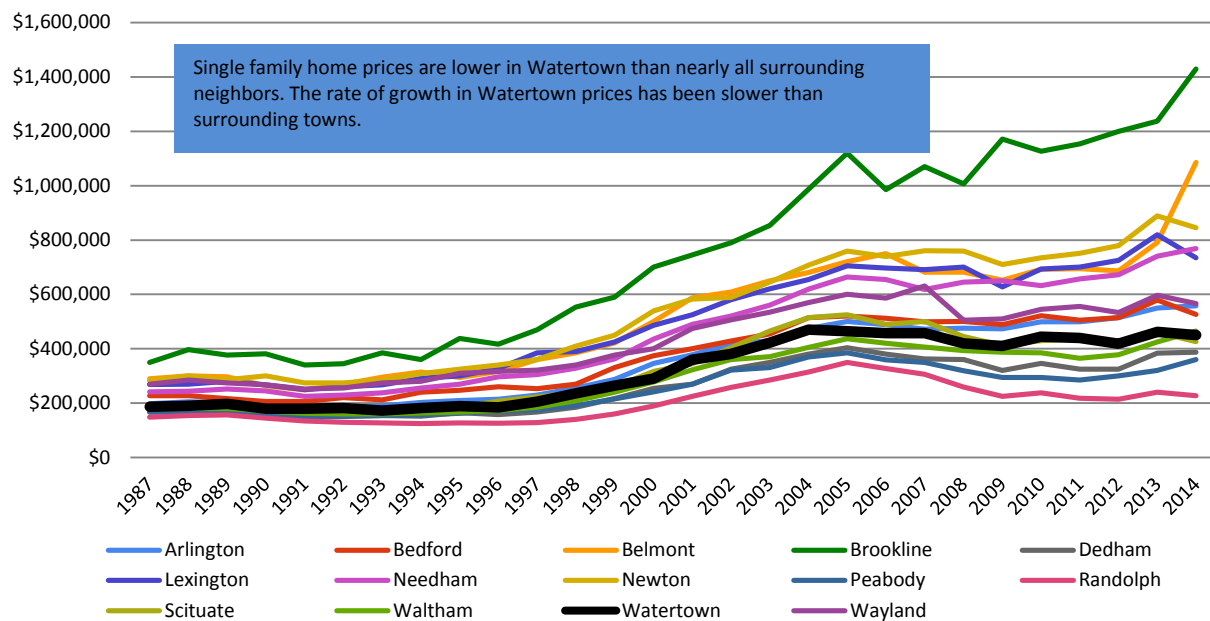


Figure 29. Median Sales Price (Single Family) by Select Town, 1987-2014



We asked a local realtor to provide info on the local housing market. According to Hammond Realty, the following patterns have emerged. The patterns are based on the qualitative feedback that buyers consistently provide: ¹⁶³

South End /Back Bay buyers:

- Expensive condo market is pushing the working affluent into Cambridge / Brookline.
- These buyers are very urban and do not want to migrate further out into the suburbs. However, if they do go beyond Cambridge / Brookline, they typically head to Newton, Wayland, Weston, Wellesley and Lexington for schools if they have children; and sometimes to Jamaica Plain and Somerville if they don't have children. Or, they send children to private schools.

¹⁶³ Karen Nichols, Hammond Realty, March 2014.

- This has been a substantial contributor to the increase in Brookline condo prices in the last 2 yrs and has even driven some of these buyers into Newton / Watertown condo markets driving these prices higher.
- This buyer group is pushing for very strong schools.

Cambridge buyers:

- Are moving into Somerville / Arlington / Belmont and we are now seeing them go to Medford to find homes.
- This has pushed Somerville /Arlington into an almost Cambridge price point.
- Next migration for them is into Watertown, although many times Watertown is skipped over and they head to certain sections of Waltham / Needham / Bedford / Winchester / Wellesley / Lexington.
- Also move into Newton /Brookline for schools and sometimes Needham / Natick.

Newton house buyers:

- Some buyers in the lower price points (under \$1 million) are now moving into Needham / Natick / Sharon / Dover and sometimes even Wayland. This buyer group is tracking good schools but doesn't have a huge wallet.
- Heavy physician / financial / academic buyer pool – easy access to Longwood Medical / Mass General & downtown jobs -- keeps this market strong.
- And this buyer group is pushing for very strong schools.

Watertown

- New mall development, with possible incoming of Whole Foods and Kendall Square atmosphere around Watertown Mall will pop the price points throughout Watertown.
- "New Balance Complex" and new Novartis employees will move into Watertown / Waltham / Cambridge / Newton for easy commuting. That area of Brighton is just not large enough to absorb this influx and this group may well want stronger school systems.
- Watertown is adjacent to the "hip and happening" Harvard Sq. and all Cambridge has to offer, and is also a relatively short commute to downtown (Mass Pike, Storrow) and inner/outer loop commuters. Newton has similar access, but also the stronger school systems so buyers try for Newton first.
- Many singles/families with no children or very young children (before elementary school age), families with children in nearby private schools, and down-sizers seek to buy in Watertown.

Waltham

- Has good tech start-up space so many start-ups are moving into this "cool, more affordable" office space and then purchasing homes in the area. This has further developed the offerings and atmosphere of Moody Street.
- Despite the fact that the allocation of town revenue to education is comparatively low, Watertown residents pay a higher rate of residential tax compared to our neighbor and "comparable" towns. (*Figure xx*) The implication of paying a higher rate of tax is that residents should have more to show for their money, such as high quality public schools, as compared to other towns.

The literature is clear; people are willing to pay more for strong public schools. The research is indisputable that home buyers are willing to pay a premium for school quality. In the *Journal of Real Estate Research*, Brasington finds that the "housing market consistently rewards" high-proficiency test passage rates as well as high expenditures per pupil and low pupil-teacher ratio (or class size). In general, the smaller the class size, the bigger the increase in property values." Also "the greater the number of students taking the SAT and Advanced Placement examinations (an approximation for the number of college-bound pupils within a district), the greater the property values within that district."¹⁶⁴

¹⁶⁴ Clark, D. E. & Herrin, W. E. (2000, Summer). The Impact of Public School Attributes on Home Sale Prices in California. *Growth and Change*, 31, 385-407.

Studies confirm that people are more willing to live in a neighborhood with good schools even if it means paying higher taxes.^{165, 166}

In a study of schools in the Boston suburbs, Black compared achievement test scores to house values, and found that “a five percent increase in test scores leads to a willingness to pay 2.1 percent more for houses in areas associated with the scores.”¹⁶⁷ Another study in the *Journal of Urban Economics* that confirms that “achievement test scores have an impact on property values” presents further evidence that “home buyers are willing to pay more for a home close to a higher-scoring school.”¹⁶⁸ Given that per pupil expenditures increases property values. We can assume the corollary as well, that new buyers, when they see Watertown’s MCAS scores, will be less likely to purchase a new home in Watertown compared to other towns with stronger schools and scores.

Finally, another study that examined real estate values and school ratings on a state “report card” for schools. The authors “conclude that for median-size homes, an “A-rated” school increases property values by more than 7% over a “B-rated” school.”¹⁶⁹ Real estate agents in Watertown note that scores are “readily available” to parents make their housing choices. While Watertown is not and never will compete to be the most elite town in Massachusetts, we do have serious goals for economic development and strong schools are an important part of that plan

¹⁶⁵ Bogart, W. T. & Cromwell, B. A. (1997). How Much More is a Good School District Worth? *National Tax Journal*, L(2), 215-232

¹⁶⁶ Hayes, K. J. & Taylor, L. L. (Fourth Quarter 1996). Neighborhood School Characteristics: What Signals Quality to Homebuyers? *Economic Review*. Federal Reserve Bank of Dallas, 2-9.

¹⁶⁷ Black, S. E. (1999, May). Do Better Schools Matter? Parental Valuation of Elementary Education. *The Quarterly Journal of Economics*, 577-99.

¹⁶⁸ Downes, T.A. and Zabel, J.E. (2002). “The Impact of School Characteristics on House Prices: Chicago 1987-1991” *Journal of Urban Economics*.

¹⁶⁹ Figlio, D. N. and Lucas, M. (2001) “What’s in a Grade: School Report Cards and House Prices” (2001) for the National Bureau of Economic Research.

It is time to adequately fund WPS to educate our children so they may thrive in the 21st century.

WPS needs approximately 33 FTE and support for materials and supplies across the district. Many of these positions are key to ensuring that WPS is in compliance with federal requirements and state accreditation standards, reducing class sizes; or improving school safety and adding support for administrators and teachers. Many of these positions will provide tiered instruction that is instrumental in reducing the special education costs. The goal is find the resources to return Watertown schools to a budget and staffing scenario where our educators can carry out their mandate.

WPS teachers do not say that they cannot meet the challenges of our dynamic and complex student body. They say, we can't do it right, the way that kids deserve and the state mandates, without adequate resources. Many of the positions that the WPS administration is asking for are key to ensuring that WPS is in compliance with federal requirements and state accreditation standards, reducing class sizes; or improving school safety and adding support for administrators and teachers. Many of these positions will provide tiered instruction that is instrumental in reducing the Special Education costs. The goal is to find the resources that will return Watertown schools to a budget and staffing scenario where our educators can carry out their mandate.

Communication: As a community, we need to overcome the communication problems that exist between the Town Manager, Town Council, School Committee members, and WPS. These strains in communication and individual egos¹⁷⁰ impede progress. School quality suffers and budget allocations deteriorate without adequate communication. In fact, some town leaders were unaware that WPS had fallen into a desperate situation. We should ensure that discord and ineffective communication between town officials, or a legacy of problems within the school's financial management system are no longer a factor in the inadequate funding of our schools and students.

"But Watertown only has a set amount of revenue." We have examined the budget in detail, along with the Town Auditor, and know that resources exist for 2015 and there are many possible ways for the town to increase revenue from 2016 forward. We agree that the budget situation presents a challenge to the Town; however as a town, we have no choice but to adequately fund our schools.

"But the schools receive more money than other departments." In every town, schools are the major budget with the most expensive mandates We acknowledge that the town has consistently increased the school budget each year and WPS receives more money than any other Town department, but Watertown has not paid the real cost of educating our diverse student body in the manner that it is mandated in a context of changing legislation and state requirements. The school system is responsible for a growing population of students with critical special education and social emotional needs. The school system is also bigger than other departments, with a larger staff.

"But the schools are mismanaged or inefficient." The Central Administration, School Committee, Town Council, and Town Manager must ensure the schools operate as efficiently as possible. Town officials are responsible to make sure that happens. The school system, parents, and town, all want efficient schools that meet the needs of every student. We urge the town to conduct an outside audit. We agree that

¹⁷⁰ Nearly every Town Official we spoke with mentioned the serious problem that "egos" were ruining progress.

financial management is important and that hiring a full time Business Officer and implementing suggestions from the 2011 MASBO report are a priority. It is not acceptable to deny the WPS desperately needed funding while failing to fix any mismanagement. Further, WPS should meet the *Massachusetts Department of Elementary and Secondary Education* District Standards and Indicators for Financial and Asset Management, which includes:¹⁷¹

“A participative, well-documented, and transparent budget process that uses student achievement as a factor in the overall budget. The district acquires and uses financial, physical, and competitive capital resources to provide for and sustain the advancement of achievement for all students enrolled in the district. The district regularly assesses the effectiveness and efficiency of its financial and capital assets and has the ability to meet reasonable changes and unanticipated events.”

It also includes an “adequate budget”:

“The community annually provides sufficient financial resources to ensure educationally sound programs and quality facilities, with a sufficient district revenue levy and level of local spending for education. The combination of Chapter 70 Aid and local revenues, considering justified indirect charges, meets or exceeds Net School Spending (NSS) requirements of the education reform formula. The district's budget and supplemental funding are adequate to provide for effective instructional practices and adequate operational resources.”

“But teacher salaries/contacts are too expensive.” We have examined teacher salaries and find salaries in Watertown to be comparable to other districts. If there are bad feelings or a desire to change the salaries, this should be done according to due process, without compromising the quality of WPS and our students’ education.

“But WPS cannot be fixed in one year.” We agree that some problems require several years of adequate funding, better collaboration within schools and across the district to be fixed; however there is no question that WPS can absorb the FTEs and materials and support that full funding in 2015 would yield.

¹⁷¹ District Standards and Indicators: <http://www.doe.mass.edu/apa/review/district/StandardsIndicators.pdf>